

HOUSE BILL No. 1328

DIGEST OF INTRODUCED BILL

Citations Affected: IC 5-1-16-42; IC 6-1.1; IC 8-1.5-5-30; IC 8-14-9-12; IC 8-22-3-16; IC 12-29; IC 14-27-6-40; IC 14-33-11; IC 16-22; IC 21-2; IC 21-5-9-2; IC 22-4-29-8; IC 29-1-7-3.1; IC 32; IC 33; IC 34-28-5-1; IC 35; IC 36.

Synopsis: Local taxes and fees. Requires a lease rental or bond issue for certain local capital projects with a cost of at least \$2,000,000 to be approved at a local referendum if the preliminary determination to enter into the lease or issue bonds is made after June 30, 2006, and if the referendum is requested by local taxpayers. Applies the petition and remonstrance process if the preliminary determination is made before July 1, 2006. Makes conforming amendments. Limits to 3% the annual increase in property tax rates on residential property other than rates for debt service and lease rentals. Allows the county auditor to reduce a taxing unit's assessed value used to set property tax rates for the following year to enable the unit to absorb the effects of reduced property tax collections expected to result from successful assessed value appeals. Limits the amount of the reduction. Bases a civil taxing unit's maximum property tax levy on the greater of the unit's maximum levy or actual levy for the previous year. Allows the fiscal body of a county, city, or town to adopt an ordinance increasing the amount of certain specified fees or charges above the statutory maximum that would otherwise apply to the fees or charges. Provides that the total amount of a fee or charge that is increased above the otherwise applicable statutory maximum may not exceed an amount that is reasonably related to the administrative cost of: (1) providing or carrying out the service, function, or program for which the fee or charge is imposed; or (2) exercising the regulatory power or function for which the fee or charge is imposed; as determined by the fiscal body in a public hearing.

Effective: Upon passage; July 1, 2006.

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January 10, 2006, read first time and referred to Committee on Ways and Means.



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Introduced

Second Regular Session 114th General Assembly (2006)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2005 Regular Session of the General Assembly.

HOUSE BILL No. 1328

A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

Be it enacted by the General Assembly of the State of Indiana:

- 1 SECTION 1. IC 5-1-16-42 IS AMENDED TO READ AS
2 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 42. (a) When the
3 authority, the board of trustees or board of managers of the hospital, the
4 board of commissioners of the county, and a majority of the county
5 council have agreed upon the terms and conditions of any lease
6 proposed to be entered into under section 38 or 39 of this chapter, and
7 before the final execution of the lease, the county auditor shall give
8 notice by publication of a public hearing to be held in the county by the
9 board of commissioners. The hearing shall take place on a day not
10 earlier than ten (10) days after the publication of the notice. The notice
11 of the hearing shall be published one (1) time in a newspaper of general
12 circulation printed in the English language and published in the county.
13 The notice shall do the following:
14 (1) Name the day, place, and hour of the hearing.
15 (2) Set forth a brief summary of the principal terms of the lease
16 agreed upon, including the character and location of the property
17 to be leased, the lease rental to be paid, and the number of years

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1 the contract is to be in effect.

2 (3) State a location where the proposed lease, drawings, plans,
3 specifications, and estimates may be examined.

4 The proposed lease and the drawings, plans, specifications, and
5 estimates of construction cost for the building shall be open to
6 inspection by the public during the ten (10) day period and at the
7 hearing. All interested persons shall have a right to be heard at the
8 hearing on the necessity for the execution of the lease and whether the
9 lease rental under the lease is fair and reasonable. The hearing may be
10 adjourned to a later date with the place of the hearing fixed prior to
11 adjournment. Following the hearing, the board of commissioners may
12 either authorize the execution of the lease as originally agreed upon or
13 may make modifications that are agreed upon by the authority, the
14 board of trustees or board of managers of the hospital, and the county
15 council. The authorization shall be by an order that is entered in the
16 official records of the board of commissioners. The lease contract shall
17 be executed on behalf of the county by the board of commissioners.

18 (b) If the execution of the lease as originally agreed upon or as
19 modified by agreement is authorized, notice of the signing of the lease
20 shall be given on behalf of the county by publication one (1) time in a
21 newspaper of general circulation printed in the English language and
22 published in the county. Except as provided in subsection (d), ten (10)
23 or more taxpayers in the county whose tax rate will be affected by the
24 proposed lease and who may be of the opinion that no necessity exists
25 for the execution of the lease or that the lease rental under the lease is
26 not fair and reasonable may file a petition in the office of the county
27 auditor within thirty (30) days after publication of notice of the
28 execution of the lease that sets forth the taxpayers' objections and facts
29 supporting those objections. Upon the filing of a petition, the county
30 auditor shall immediately certify a copy of the petition together with
31 such other data as may be necessary in order to present the questions
32 involved to the department of local government finance. Upon receipt
33 of the certified petition and information, the department of local
34 government finance shall fix a time and place in the affected county for
35 the hearing of the matter that is not less than five (5) or more than
36 fifteen (15) days after receipt. Notice of the hearing shall be given by
37 the department of local government finance to the board of county
38 commissioners and to the first ten (10) taxpayer petitioners upon the
39 petition by certified mail sent to the addresses listed on the petition at
40 least five (5) days before the date of the hearing.

41 (c) No action to contest the validity of the lease or to enjoin the
42 performance of any of the terms and conditions of the lease shall be

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instituted at any time later than thirty (30) days after publication of notice of the execution of the lease, or if an appeal has been taken to the department of local government finance, then within thirty (30) days after the decision of the department.

(d) The authority for taxpayers to object to a proposed lease under subsection (b) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~
IC 6-1.1-20.

SECTION 2. IC 6-1.1-1-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) Except as provided in subsection (b), "assessed value" or "assessed valuation" means an amount equal to:

- (1) for assessment dates before March 1, 2001, thirty-three and one-third percent (33 1/3%) of the true tax value of property; and
- (2) for assessment dates after February 28, 2001, the true tax value of property.

(b) For purposes of calculating a budget, rate, or levy under IC 6-1.1-17, IC 6-1.1-18, IC 6-1.1-18.5, IC 6-1.1-19, ~~IC 6-1.1-20,~~
~~IC 21-2-11.5,~~ and IC 21-2-15, "assessed value" or "assessed valuation" does not include **either of the following:**

- (1) The assessed value of tangible property excluded and kept separately on a tax duplicate by a county auditor under ~~IC 6-1.1-17-0.5.~~ **IC 6-1.1-17-0.5(b).**
- (2) **The amount of a reduction to a taxing unit's assessed value made by the county auditor under IC 6-1.1-17-0.5(d).**

SECTION 3. IC 6-1.1-1-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 20. "Taxing district" means a geographic area within which property is taxed:

- (1) by the same taxing units; and
- (2) **except as provided in IC 6-1.1-22-2.5,** at the same total rate.

SECTION 4. IC 6-1.1-5.5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) A person filing a sales disclosure form under this chapter shall pay a fee of five dollars (\$5) to the county auditor. **A fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding subsection (b) or any other law, the part of the fee that results from an increase under IC 36-1-8-16 shall be deposited in the county sales disclosure fund established under section 4.5 of this chapter.**

(b) Eighty percent (80%) of the revenue collected under this section and section 12 of this chapter shall be deposited in the county sales disclosure fund established under section 4.5 of this chapter. Twenty

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percent (20%) of the revenue shall be transferred to the state treasurer for deposit in the state assessment training fund established under section 4.7 of this chapter.

SECTION 5. IC 6-1.1-15-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 10. (a) If a petition for review to any board or a proceeding for judicial review in the tax court regarding an assessment or increase in assessment is pending, the taxes resulting from the assessment or increase in assessment are, notwithstanding the provisions of IC 6-1.1-22-9, not due until after the petition for review, or the proceeding for judicial review, is finally adjudicated and the assessment or increase in assessment is finally determined. However, even though a petition for review or a proceeding for judicial review is pending, the taxpayer shall pay taxes on the tangible property when the property tax installments come due, unless the collection of the taxes is stayed under IC 4-21.5-5-9 pending a final determination in the proceeding for judicial review. The amount of taxes which the taxpayer is required to pay, pending the final determination of the assessment or increase in assessment, shall be based on:

(1) the assessed value reported by the taxpayer on the taxpayer's personal property return if a personal property assessment, or an increase in such an assessment, is involved; or

(2) an amount based on the immediately preceding year's assessment of real property if an assessment, or increase in assessment, of real property is involved.

(b) If the petition for review or the proceeding for judicial review is not finally determined by the last installment date for the taxes, the taxpayer, upon showing of cause by a taxing official or at the tax court's discretion, may be required to post a bond or provide other security in an amount not to exceed the taxes resulting from the contested assessment or increase in assessment.

(c) Each county auditor shall keep separate on the tax duplicate a record of that portion of the assessed value of property that is described in IC 6-1.1-17-0.5(b) or **IC 6-1.1-17-0.5(d)**. When establishing rates and calculating state school support, the department of local government finance shall exclude from assessed value in the county the assessed value of property kept separate on the tax duplicate by the county auditor under IC 6-1.1-17-0.5(b) or **IC 6-1.1-17-0.5(d)**.

SECTION 6. IC 6-1.1-17-0.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 0.5. (a) For purposes of this section, "assessed value" has the meaning set forth in IC 6-1.1-1-3(a).

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(b) The county auditor may exclude and keep separate on the tax duplicate for taxes payable in a calendar year the assessed value of tangible property that meets the following conditions:

(1) The assessed value of the property is at least nine percent (9%) of the assessed value of all tangible property subject to taxation by a taxing unit. ~~(as defined in IC 6-1.1-1-21).~~

(2) The property is or has been part of a bankruptcy estate that is subject to protection under the federal bankruptcy code.

(3) The owner of the property has discontinued all business operations on the property.

(4) There is a high probability that the taxpayer will not pay property taxes due on the property in the following year.

(c) This section does not limit, restrict, or reduce in any way the property tax liability on the property.

(d) For each taxing unit located in the county, the county auditor may reduce for a calendar year the taxing unit's assessed value that is certified to the department of local government finance under section 1 of this chapter and used to set tax rates for the taxing unit for taxes first due and payable in the immediately succeeding calendar year. The county auditor may reduce a taxing unit's assessed value under this subsection only to enable the taxing unit to absorb the effects of reduced property tax collections in the immediately succeeding calendar year that are expected to result from successful appeals of the assessed value of property located in the taxing unit. The county auditor shall keep separately on the tax duplicate the amount of any reductions made under this subsection. The maximum amount of the reduction authorized under this subsection is determined under subsection (e).

(e) The amount of the reduction in a taxing unit's assessed value for a calendar year under subsection (d) may not exceed the lesser of:

(1) two percent (2%) of the assessed value of tangible property subject to assessment in the taxing unit in that calendar year; or

(2) the total amount of reductions in the assessed value of tangible property subject to assessment in the taxing unit that:

(A) applied for the assessment date in the immediately preceding year; and

(B) resulted from successful appeals of the assessed value of the property.

(f) The amount of a reduction under subsection (d) may not be

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offered in a proceeding before the:

(1) county property tax assessment board of appeals;

(2) Indiana board; or

(3) Indiana tax court;

as evidence that a particular parcel has been improperly assessed.

SECTION 7. IC 6-1.1-17-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) On or before August 1 of each year, the county auditor shall send a certified statement, under the seal of the board of county commissioners, to the fiscal officer of each political subdivision of the county and the department of local government finance. The statement shall contain:

(1) information concerning the assessed valuation in the political subdivision for the next calendar year;

(2) an estimate of the taxes to be distributed to the political subdivision during the last six (6) months of the current calendar year;

(3) the current assessed valuation as shown on the abstract of charges;

(4) the average growth in assessed valuation in the political subdivision over the preceding three (3) budget years, excluding years in which a general reassessment occurs, determined according to procedures established by the department of local government finance;

(5) the amount of the political subdivision's assessed valuation reduction determined under section 0.5(d) of this chapter; and

~~(5) (6)~~ (6) any other information at the disposal of the county auditor that might affect the assessed value used in the budget adoption process.

(b) The estimate of taxes to be distributed shall be based on:

(1) the abstract of taxes levied and collectible for the current calendar year, less any taxes previously distributed for the calendar year; and

(2) any other information at the disposal of the county auditor which might affect the estimate.

(c) The fiscal officer of each political subdivision shall present the county auditor's statement to the proper officers of the political subdivision.

SECTION 8. IC 6-1.1-17-3, AS AMENDED BY P.L.234-2005, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 3. (a) The proper officers of a political subdivision shall formulate its estimated budget and its proposed tax rate and tax levy on the form prescribed by the department of local

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government finance and approved by the state board of accounts. The political subdivision shall give notice by publication to taxpayers of:

- (1) the estimated budget;
- (2) the estimated maximum permissible levy;
- (3) the current and proposed tax levies of each fund;
- (4) the amount of the political subdivision's assessed valuation reduction determined under section 0.5(d) of this chapter;** and
- ~~(4)~~ **(5)** the amounts of excessive levy appeals to be requested.

In the notice, the political subdivision shall also state the time and place at which a public hearing will be held on these items. The notice shall be published twice in accordance with IC 5-3-1 with the first publication at least ten (10) days before the date fixed for the public hearing.

(b) The board of directors of a solid waste management district established under IC 13-21 or IC 13-9.5-2 (before its repeal) may conduct the public hearing required under subsection (a):

- (1) in any county of the solid waste management district; and
- (2) in accordance with the annual notice of meetings published under IC 13-21-5-2.

(c) The trustee of each township in the county shall estimate the amount necessary to meet the cost of township assistance in the township for the ensuing calendar year. The township board shall adopt with the township budget a tax rate sufficient to meet the estimated cost of township assistance. The taxes collected as a result of the tax rate adopted under this subsection are credited to the township assistance fund.

(d) A county shall adopt with the county budget and the department of local government finance shall certify under section 16 of this chapter a tax rate sufficient to raise the levy necessary to pay the following:

- (1) The cost of child services (as defined in IC 12-19-7-1) of the county payable from the family and children's fund.
- (2) The cost of children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1) of the county payable from the children's psychiatric residential treatment services fund.

A budget, tax rate, or tax levy adopted by a county fiscal body or approved or modified by a county board of tax adjustment that is less than the levy necessary to pay the costs described in subdivision (1) or (2) shall not be treated as a final budget, tax rate, or tax levy under section 11 of this chapter.

SECTION 9. IC 6-1.1-17-8.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS

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[EFFECTIVE UPON PASSAGE]: Sec. 8.5. (a) If a county auditor reduces a taxing unit's assessed valuation under section 0.5(d) of this chapter, the department of local government finance shall, in the manner prescribed in section 16 of this chapter, review the budget, tax rate, and tax levy of the taxing unit.

(b) The county auditor may appeal to the department of local government finance to reduce a taxing unit's assessed valuation by an amount that exceeds the limits set forth in section 0.5(e) of this chapter. The department of local government finance:

(1) may require the county auditor to submit supporting information with the county auditor's appeal;

(2) shall consider the appeal at the time of the review required by subsection (a); and

(3) may approve, modify and approve, or reject the amount of the reduction sought in the appeal.

SECTION 10. IC 6-1.1-17-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 9. (a) The county board of tax adjustment shall complete the duties assigned to it under this chapter on or before October 1st of each year, except that in a consolidated city and county and in a county containing a second class city, the duties of this board need not be completed until November 1 of each year.

(b) If the county board of tax adjustment fails to complete the duties assigned to it within the time prescribed in this section or to reduce aggregate tax rates so that they do not exceed the maximum rates permitted under IC 6-1.1-18, the county auditor shall calculate and fix the tax rate within each political subdivision of the county so that the maximum rate permitted under IC 6-1.1-18 is not exceeded.

(c) When the county auditor calculates and fixes tax rates, ~~he the~~ **auditor** shall send a certificate notice of the rate ~~he has~~ fixed to each political subdivision of the county. ~~He~~ **If a rate determined under IC 6-1.1-22-2.5 applies, the county auditor shall include that rate in the notice. The county auditor** shall send these notices within five (5) days after publication of the notice required by section 12 of this chapter.

(d) When the county auditor calculates and fixes tax rates, ~~his the~~ **auditor's** action shall be treated as if it were the action of the county board of tax adjustment.

SECTION 11. IC 6-1.1-17-16, AS AMENDED BY P.L.228-2005, SECTION 21, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 16. (a) Subject to the limitations and requirements prescribed in this section, the department of local

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1 government finance may revise, reduce, or increase a political
 2 subdivision's budget by fund, tax rate, or tax levy which the department
 3 reviews under section 8 or 10 of this chapter.

4 (b) Subject to the limitations and requirements prescribed in this
 5 section, the department of local government finance may review,
 6 revise, reduce, or increase the budget by fund, tax rate, or tax levy of
 7 any of the political subdivisions whose tax rates compose the aggregate
 8 tax rate within a political subdivision whose budget, tax rate, or tax
 9 levy is the subject of an appeal initiated under this chapter.

10 (c) Except as provided in subsections (j) and (k), before the
 11 department of local government finance reviews, revises, reduces, or
 12 increases a political subdivision's budget by fund, tax rate, or tax levy
 13 under this section, the department must hold a public hearing on the
 14 budget, tax rate, and tax levy. The department of local government
 15 finance shall hold the hearing in the county in which the political
 16 subdivision is located. The department of local government finance
 17 may consider the budgets by fund, tax rates, and tax levies of several
 18 political subdivisions at the same public hearing. At least five (5) days
 19 before the date fixed for a public hearing, the department of local
 20 government finance shall give notice of the time and place of the
 21 hearing and of the budgets by fund, levies, and tax rates to be
 22 considered at the hearing. The department of local government finance
 23 shall publish the notice in two (2) newspapers of general circulation
 24 published in the county. However, if only one (1) newspaper of general
 25 circulation is published in the county, the department of local
 26 government finance shall publish the notice in that newspaper.

27 (d) Except as provided in subsection (i), IC 6-1.1-19, or
 28 IC 6-1.1-18.5, the department of local government finance may not
 29 increase a political subdivision's budget by fund, tax rate, or tax levy to
 30 an amount which exceeds the amount originally fixed by the political
 31 subdivision. The department of local government finance shall give the
 32 political subdivision written notification specifying any revision,
 33 reduction, or increase the department proposes in a political
 34 subdivision's tax levy or tax rate. The political subdivision has one (1)
 35 week from the date the political subdivision receives the notice to
 36 provide a written response to the department of local government
 37 finance's Indianapolis office specifying how to make the required
 38 reductions in the amount budgeted by fund. The department of local
 39 government finance shall make reductions as specified in the political
 40 subdivision's response if the response is provided as required by this
 41 subsection and sufficiently specifies all necessary reductions. The
 42 department of local government finance may make a revision, a

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1 reduction, or an increase in a political subdivision's budget only by
2 fund.

3 (e) The department of local government finance may not approve a
4 levy for lease payments by a city, town, county, library, or school
5 corporation if the lease payments are payable to a building corporation
6 for use by the building corporation for debt service on bonds and if:

- 7 (1) no bonds of the building corporation are outstanding; or
- 8 (2) the building corporation has enough legally available funds on
9 hand to redeem all outstanding bonds payable from the particular
10 lease rental levy requested.

11 (f) The department of local government finance shall certify its
12 action to:

- 13 (1) the county auditor;
- 14 (2) the political subdivision if the department acts pursuant to an
15 appeal initiated by the political subdivision;
- 16 (3) the first ten (10) taxpayers whose names appear on a petition
17 filed under section 13 of this chapter; and
- 18 (4) a taxpayer that owns property that represents at least ten
19 percent (10%) of the taxable assessed valuation in the political
20 subdivision.

21 (g) The following may petition for judicial review of the final
22 determination of the department of local government finance under
23 subsection (f):

- 24 (1) If the department acts under an appeal initiated by a political
25 subdivision, the political subdivision.
- 26 (2) If the department acts under an appeal initiated by taxpayers
27 under section 13 of this chapter, a taxpayer who signed the
28 petition under that section.
- 29 (3) If the department acts under an appeal initiated by the county
30 auditor under section 14 of this chapter, the county auditor.
- 31 (4) A taxpayer that owns property that represents at least ten
32 percent (10%) of the taxable assessed valuation in the political
33 subdivision.

34 The petition must be filed in the tax court not more than forty-five (45)
35 days after the department certifies its action under subsection (f).

36 (h) The department of local government finance is expressly
37 directed to complete the duties assigned to it under this section not later
38 than February 15th of each year for taxes to be collected during that
39 year.

40 (i) Subject to the provisions of all applicable statutes, the
41 department of local government finance may increase a political
42 subdivision's tax levy to an amount that exceeds the amount originally

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fixed by the political subdivision if the increase is:

(1) requested in writing by the officers of the political subdivision;

(2) either:

(A) based on information first obtained by the political subdivision after the public hearing under section 3 of this chapter; or

(B) results from an inadvertent mathematical error made in determining the levy; and

(3) published by the political subdivision according to a notice provided by the department.

(j) The department of local government finance shall annually review the budget by fund of each school corporation not later than April 1. The department of local government finance shall give the school corporation written notification specifying any revision, reduction, or increase the department proposes in the school corporation's budget by fund. A public hearing is not required in connection with this review of the budget.

(k) The department of local government finance may hold a hearing under subsection (c) only if the notice required in IC 6-1.1-17-12 is published at least ten (10) days before the date of the hearing.

(l) The department of local government finance may not certify a taxing unit's budget, tax rate, or tax levy if the department of local government finance determines that the county auditor has reduced the taxing unit's assessed valuation by more than the amount authorized under section 0.5(e) or 8.5(b) of this chapter.

SECTION 12. IC 6-1.1-18-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) Except as provided in subsection (b), the sum of all tax rates for all political subdivisions imposed on tangible property within a political subdivision may not exceed:

(1) forty-one and sixty-seven hundredths cents (\$0.4167) on each one hundred dollars (\$100) of assessed valuation in territory outside the corporate limits of a city or town; or

(2) sixty-six and sixty-seven hundredths cents (\$0.6667) on each one hundred dollars (\$100) of assessed valuation in territory inside the corporate limits of a city or town.

(b) The proper officers of a political subdivision shall fix tax rates which are sufficient to provide funds for the purposes itemized in this subsection. The portion of a tax rate fixed by a political subdivision shall not be considered in computing the tax rate limits prescribed in subsection (a) if that portion is to be used for one (1) of the following

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purposes:

(1) To pay the principal or interest on a funding, refunding, or judgment funding obligation of the political subdivision.

(2) To pay the principal or interest on an outstanding obligation issued by the political subdivision if notice of the sale of the obligation was published before March 9, 1937.

(3) To pay the principal or interest upon:

(A) an obligation issued by the political subdivision to meet an emergency which results from a flood, fire, pestilence, war, or any other major disaster; or

(B) a note issued under IC 36-2-6-18, IC 36-3-4-22, IC 36-4-6-20, or IC 36-5-2-11 to enable a city, town, or county to acquire necessary equipment or facilities for municipal or county government.

(4) To pay the principal or interest upon an obligation issued in the manner provided in:

(A) IC 6-1.1-20-3 (before its repeal); ~~or~~

(B) IC 6-1.1-20-3.1 through IC 6-1.1-20-3.2 **(in the case of a preliminary determination made before July 1, 2006, to issue bonds or enter into a lease); or**

(C) **IC 6-1.1-20-3.5 through IC 6-1.1-20-3.6 (in the case of a preliminary determination made after June 30, 2006, to issue bonds or enter into a lease).**

(5) To pay a judgment rendered against the political subdivision.

(6) To meet the requirements of the family and children's fund for child services (as defined in IC 12-19-7-1).

(7) To meet the requirements of the county hospital care for the indigent fund.

(8) To meet the requirements of the children's psychiatric residential treatment services fund for children's psychiatric residential treatment services (as defined in IC 12-19-7.5-1).

(c) Except as otherwise provided in IC 6-1.1-19 or IC 6-1.1-18.5, a county board of tax adjustment, a county auditor, or the department of local government finance may review the portion of a tax rate described in subsection (b) only to determine if it exceeds the portion actually needed to provide for one (1) of the purposes itemized in that subsection.

SECTION 13. IC 6-1.1-18.5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. As used in this chapter:

"Ad valorem property tax levy for an ensuing calendar year" means the total property taxes imposed by a civil taxing unit for current

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property taxes collectible in that ensuing calendar year.

"Adopting county" means any county in which the county adjusted gross income tax is in effect.

"Civil taxing unit" means any taxing unit except a school corporation.

"Maximum permissible ad valorem property tax levy for the preceding calendar year" means the **greater of the:**

(1) civil taxing unit's maximum permissible ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined under section 3 of this chapter; or

(2) civil taxing unit's ad valorem property tax levy for the calendar year immediately preceding the ensuing calendar year, as that levy was determined by the department of local government finance in fixing the civil taxing unit's budget, levy, and rate for that preceding calendar year under IC 6-1.1-17, and after eliminating the effects of temporary excessive levy appeals and temporary adjustments made to the working maximum levy for the calendar year immediately preceding the ensuing calendar year, as determined by the department of local government finance.

"Taxable property" means all tangible property that is subject to the tax imposed by this article and is not exempt from the tax under IC 6-1.1-10 or any other law. For purposes of sections 2 and 3 of this chapter, the term "taxable property" is further defined in section 6 of this chapter.

"Unadjusted assessed value" means the assessed value of a civil taxing unit as determined by local assessing officials and the department of local government finance in a particular calendar year before the application of an annual adjustment under IC 6-1.1-4-4.5 for that particular calendar year or any calendar year since the last general reassessment preceding the particular calendar year.

SECTION 14. IC 6-1.1-18.5-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) The ad valorem property tax levy limits imposed by section 3 of this chapter do not apply to ad valorem property taxes imposed by a civil taxing unit if the civil taxing unit is committed to levy the taxes to pay or fund either:

(1) bonded indebtedness; or

(2) lease rentals under a lease with an original term of at least five (5) years.

(b) A civil taxing unit must file a petition requesting approval from the department of local government finance to incur bonded

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1 indebtedness or execute a lease with an original term of at least five (5)
 2 years not later than twenty-four (24) months after the first date of
 3 publication of notice of a preliminary determination under
 4 ~~IC 6-1.1-20-3.1(2)~~, **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2),**
 5 **whichever is applicable**, unless the civil taxing unit demonstrates that
 6 a longer period is reasonable in light of the civil taxing unit's facts and
 7 circumstances. A civil taxing unit must obtain approval from the
 8 department of local government finance before the civil taxing unit
 9 may:

- 10 (1) incur the bonded indebtedness; or
- 11 (2) enter into the lease.

12 The department of local government finance may seek
 13 recommendations from the local government tax control board
 14 established by section 11 of this chapter when determining whether to
 15 authorize incurring the bonded indebtedness or the execution of the
 16 lease.

17 (c) The department of local government finance shall render a
 18 decision within three (3) months after the date it receives a request for
 19 approval under subsection (b). However, the department of local
 20 government finance may extend this three (3) month period by an
 21 additional three (3) months if, at least ten (10) days before the end of
 22 the original three (3) month period, the department sends notice of the
 23 extension to the executive officer of the civil taxing unit. A civil taxing
 24 unit may petition for judicial review of the final determination of the
 25 department of local government finance under this section. The petition
 26 must be filed in the tax court not more than forty-five (45) days after
 27 the department enters its order under this section.

28 (d) A civil taxing unit does not need approval under subsection (b)
 29 to obtain temporary loans made in anticipation of and to be paid from
 30 current revenues of the civil taxing unit actually levied and in the
 31 course of collection for the fiscal year in which the loans are made.

32 (e) For purposes of computing the ad valorem property tax levy
 33 limits imposed on a civil taxing unit by section 3 of this chapter, the
 34 civil taxing unit's ad valorem property tax levy for a calendar year does
 35 not include that part of its levy that is committed to fund or pay bond
 36 indebtedness or lease rentals with an original term of five (5) years in
 37 subsection (a).

38 (f) A taxpayer may petition for judicial review of the final
 39 determination of the department of local government finance under this
 40 section. The petition must be filed in the tax court not more than thirty
 41 (30) days after the department enters its order under this section.

42 SECTION 15. IC 6-1.1-19-8, AS AMENDED BY P.L.1-2005,

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SECTION 90, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) A school corporation must file a petition requesting approval from the department of local government finance to incur bond indebtedness, enter into a lease rental agreement, or repay from the debt service fund loans made for the purchase of school buses under IC 20-27-4-5 not later than twenty-four (24) months after the first date of publication of notice of a preliminary determination under ~~IC 6-1.1-20-3.1(2)~~, **IC 6-1.1-20-3.1(b)(2) or IC 6-1.1-20-3.5(b)(2), whichever is applicable**, unless the school corporation demonstrates that a longer period is reasonable in light of the school corporation's facts and circumstances. A school corporation must obtain approval from the department of local government finance before the school corporation may:

- (1) incur the indebtedness;
- (2) enter into the lease agreement; or
- (3) repay the school bus purchase loan.

This restriction does not apply to ad valorem property taxes which a school corporation levies to pay or fund bond or lease rental indebtedness created or incurred before July 1, 1974.

(b) The department of local government finance may either approve, disapprove, or modify then approve a school corporation's proposed lease rental agreement, bond issue or school bus purchase loan. Before it approves or disapproves a proposed lease rental agreement, bond issue or school bus purchase loan, the department of local government finance may seek the recommendation of the tax control board.

(c) The department of local government finance shall render a decision not more than three (3) months after the date it receives a request for approval under subsection (a). However, the department of local government finance may extend this three (3) month period by an additional three (3) months if, at least ten (10) days before the end of the original three (3) month period, the department sends notice of the extension to the executive officer of the school corporation. A school corporation may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than forty-five (45) days after the department enters its order under this section.

(d) ~~After December 31, 1995,~~ The department of local government finance may not approve a school corporation's proposed lease rental agreement or bond issue to finance the construction of additional classrooms unless the school corporation first:

- (1) establishes that additional classroom space is necessary; and
- (2) conducts a feasibility study, holds public hearings, and hears

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public testimony on using a twelve (12) month school term (instead of the nine (9) month school term (as defined in IC 20-30-2-7)) rather than expanding classroom space.

(e) This section does not apply to school bus purchase loans made by a school corporation which will be repaid solely from the general fund of the school corporation.

(f) A taxpayer may petition for judicial review of the final determination of the department of local government finance under this section. The petition must be filed in the tax court not more than thirty (30) days after the department enters its order under this section.

SECTION 16. IC 6-1.1-20-3.1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.1. **(a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease before July 1, 2006.**

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for such notices;

of any meeting to consider adoption of a resolution or an ordinance making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the resolution or ordinance.

(2) When the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

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(D) The purpose of the bonds or lease.

(E) A statement that any owners of real property within the political subdivision who want to initiate a petition and remonstrance process against the proposed debt service or lease payments must file a petition that complies with subdivisions (4) and (5) not later than thirty (30) days after publication in accordance with IC 5-3-1.

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide additional classroom space;

the estimated costs the school corporation expects to incur annually to operate the facility.

(G) A statement of whether the school corporation expects to appeal as described in IC 6-1.1-19-4.4(a)(4) for an increased adjusted base levy to pay the estimated costs described in clause (F).

(4) After notice is given, a petition requesting the application of a petition and remonstrance process may be filed by the lesser of:

(A) one hundred (100) owners of real property within the political subdivision; or

(B) five percent (5%) of the owners of real property within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

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(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting a petition and remonstrance process. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

(c) If a sufficient petition requesting a petition and remonstrance process is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 17. IC 6-1.1-20-3.2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.2. **(a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease before July 1, 2006.**

(b) If a sufficient petition requesting the application of a petition and remonstrance process has been filed as set forth in section 3.1 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of the political subdivision shall give notice of the applicability of the petition and remonstrance process by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in ~~section 3.1(1)(B)~~ **section 3.1(b)(1)(B)** of this chapter.

A notice under this subdivision must include a statement that any owners of real property within the political subdivision who want

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to petition in favor of or remonstrate against the proposed debt service or lease payments must file petitions and remonstrances in compliance with subdivisions (2) through (4) not earlier than thirty (30) days or later than sixty (60) days after publication in accordance with IC 5-3-1.

(2) Not earlier than thirty (30) days or later than sixty (60) days after the notice under subdivision (1) is given:

(A) petitions (described in subdivision (3)) in favor of the bonds or lease; and

(B) remonstrances (described in subdivision (3)) against the bonds or lease;

may be filed by an owner or owners of real property within the political subdivision. Each signature on a petition must be dated and the date of signature may not be before the date on which the petition and remonstrance forms may be issued under subdivision (3). A petition described in clause (A) or a remonstrance described in clause (B) must be verified in compliance with subdivision (4) before the petition or remonstrance is filed with the county auditor under subdivision (4).

(3) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition and remonstrance forms to be used solely in the petition and remonstrance process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition or remonstrance forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature;

(D) govern the closing date for the petition and remonstrance period; and

(E) apply to the carrier under section 10 of this chapter.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners. The county auditor may not issue a petition or remonstrance form earlier than twenty-nine (29) days after the notice is given under subdivision (1). The county auditor shall certify the date of issuance on each petition

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or remonstrance form that is distributed under this subdivision.

(4) The petitions and remonstrances must be verified in the manner prescribed by the state board of accounts and filed with the county auditor within the sixty (60) day period described in subdivision (2) in the manner set forth in section 3.1 of this chapter relating to requests for a petition and remonstrance process.

(5) The county auditor must file a certificate and the petition or remonstrance with the body of the political subdivision charged with issuing bonds or entering into leases within fifteen (15) business days of the filing of a petition or remonstrance under subdivision (4), whichever applies, containing ten thousand (10,000) signatures or less. The county auditor may take an additional five (5) days to review and certify the petition or remonstrance for each additional five thousand (5,000) signatures up to a maximum of sixty (60) days. The certificate must state the number of petitioners and remonstrators that are owners of real property within the political subdivision.

(6) If a greater number of owners of real property within the political subdivision sign a remonstrance than the number that signed a petition, the bonds petitioned for may not be issued or the lease petitioned for may not be entered into. The proper officers of the political subdivision may not make a preliminary determination to issue bonds or enter into a lease for the controlled project defeated by the petition and remonstrance process under this section or any other controlled project that is not substantially different within one (1) year after the date of the county auditor's certificate under subdivision (5). Withdrawal of a petition carries the same consequences as a defeat of the petition.

(7) After a political subdivision has gone through the petition and remonstrance process set forth in this section, the political subdivision is not required to follow any other remonstrance or objection procedures under any other law (including section 5 of this chapter) relating to bonds or leases designed to protect owners of real property within the political subdivision from the imposition of property taxes to pay debt service or lease rentals. However, the political subdivision must still receive the approval of the department of local government finance required by IC 6-1.1-18.5-8 or IC 6-1.1-19-8.

SECTION 18. IC 6-1.1-20-3.5 IS ADDED TO THE INDIANA CODE AS A **NEW** SECTION TO READ AS FOLLOWS

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[EFFECTIVE JULY 1, 2006]: Sec. 3.5. (a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease after June 30, 2006.

(b) A political subdivision may not impose property taxes to pay debt service or lease rentals without completing the following procedures:

(1) The proper officers of a political subdivision shall:

(A) publish notice in accordance with IC 5-3-1; and

(B) send notice by first class mail to any organization that delivers to the officers, before January 1 of that year, an annual written request for notices;

of any meeting to consider the adoption of an ordinance or a resolution making a preliminary determination to issue bonds or enter into a lease and shall conduct a public hearing on a preliminary determination before adoption of the ordinance or resolution.

(2) Whenever the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease, the officers shall give notice of the preliminary determination by:

(A) publication in accordance with IC 5-3-1; and

(B) first class mail to the organizations described in subdivision (1)(B).

(3) A notice under subdivision (2) of the preliminary determination of the political subdivision to issue bonds or enter into a lease must include the following information:

(A) The maximum term of the bonds or lease.

(B) The maximum principal amount of the bonds or the maximum lease rental for the lease.

(C) The estimated interest rates that will be paid and the total interest costs associated with the bonds or lease.

(D) The purpose of the bonds or lease.

(E) A statement that the proposed debt service or lease rental must be approved in an election on a local public question held under section 3.6 of this chapter if a petition is filed as described in subdivision (4).

(F) With respect to bonds issued or a lease entered into to open:

(i) a new school facility; or

(ii) an existing facility that has not been used for at least three (3) years and that is being reopened to provide

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additional classroom space;

the estimated costs the school corporation expects to annually incur to operate the facility.

(G) A statement of whether the school corporation expects to appeal as described in IC 6-1.1-19-4.4(a)(4) for an increased adjusted base levy to pay the estimated costs described in clause (F).

(4) After notice is given under subdivision (2), a petition requesting an election on a local public question under section 3.6 of this chapter may be filed by the lesser of:

(A) one hundred (100) owners of real property within the political subdivision; or

(B) five percent (5%) of the owners of real property within the political subdivision.

(5) The state board of accounts shall design and, upon request by the county auditor, deliver to the county auditor or the county auditor's designated printer the petition forms to be used solely in the petition process described in this section. The county auditor shall issue to an owner or owners of real property within the political subdivision the number of petition forms requested by the owner or owners. Each form must be accompanied by instructions detailing the requirements that:

(A) the carrier and signers must be owners of real property;

(B) the carrier must be a signatory on at least one (1) petition;

(C) after the signatures have been collected, the carrier must swear or affirm before a notary public that the carrier witnessed each signature; and

(D) govern the closing date for the petition period.

Persons requesting forms may not be required to identify themselves and may be allowed to pick up additional copies to distribute to other property owners.

(6) Each petition must be verified under oath by at least one (1) qualified petitioner in a manner prescribed by the state board of accounts before the petition is filed with the county auditor under subdivision (7).

(7) Each petition must be filed with the county auditor not more than thirty (30) days after publication under subdivision (2) of the notice of the preliminary determination.

(8) The county auditor must file a certificate and each petition

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with:

(A) the township trustee, if the political subdivision is a township, who shall present the petition or petitions to the township board; or

(B) the body that has the authority to authorize the issuance of the bonds or the execution of a lease, if the political subdivision is not a township;

within fifteen (15) business days of the filing of the petition requesting an election on a local public question under section 3.6 of this chapter. The certificate must state the number of petitioners that are owners of real property within the political subdivision.

(c) If a sufficient petition requesting an election on a local public question under section 3.6 of this chapter is not filed by owners of real property as set forth in this section, the political subdivision may issue bonds or enter into a lease by following the provisions of law relating to the bonds to be issued or lease to be entered into.

SECTION 19. IC 6-1.1-20-3.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.6. (a) This section applies only to a controlled project for which the proper officers of a political subdivision make a preliminary determination to issue bonds or enter into a lease after June 30, 2006.

(b) If a sufficient petition requesting an election on a local public question under this section is filed by owners of real property under section 3.5 of this chapter, a political subdivision may not impose property taxes to pay debt service or lease rentals unless the political subdivision's proposed debt service or lease rental is approved in an election on a local public question held under this section.

(c) The following question shall be submitted to the voters at the election conducted under this section:

"Shall _____ (insert the name of the political subdivision) issue bonds or enter a lease to finance _____ (insert the name of the controlled project)?"

(d) The county auditor shall certify the public question described in subsection (c) under IC 3-10-9-3 to the county election board of the county that contains the greatest percentage of population of the political subdivision. After the public question is certified, the public question shall be placed on the ballot at the next general election in which all voters of the political subdivision are entitled to vote.

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(e) The circuit court clerk shall certify the results of the public question to the following:

(1) The county auditor of each county in which the political subdivision is located.

(2) The department of local government finance.

(f) If a majority of the voters voting on the public question vote in favor of the public question, the department of local government finance shall take prompt and appropriate steps to notify the political subdivision that the political subdivision may issue the proposed bonds or enter into the proposed lease rental.

(g) If a majority of the voters voting on the public question vote in opposition to the public question, both of the following apply:

(1) The political subdivision may not issue the proposed bonds or enter into the proposed lease rental.

(2) Another public question under this section on the same or a substantially similar project may not be submitted to the voters earlier than one (1) year after the date of the election.

(h) IC 3, to the extent not inconsistent with this section, applies to an election held under this section.

SECTION 20. IC 6-1.1-20-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. (a) When the proper officers of a political subdivision decide to issue bonds payable from property taxes to finance a public improvement, they shall adopt an ordinance or resolution which sets forth their determination to issue the bonds. Except as provided in subsection (b), the political subdivision may not advertise for or receive bids for the construction of the improvement until ~~the expiration of the latter of:~~ **after:**

(1) ~~the expiration of the time~~ period within which taxpayers may file a petition for review of or a remonstrance against the proposed issue **if the proposed issue is subject to section 3.1 of this chapter;**

(2) ~~the expiration of the period within which taxpayers may file a petition for an election on a local public question with respect to the proposed issue if:~~

(A) the proposed issue is subject to section 3.5 of this chapter; and

(B) a timely petition is not filed under section 3.5 of this chapter;

(3) the proposed issue is approved in an election on a local public question held under section 3.6 of this chapter if:

(A) the proposed issue is subject to section 3.5 of this chapter; and

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1 **(B) a timely petition is filed under section 3.5 of this**
 2 **chapter; or**

3 ~~(2) (4)~~ **the time** period during which a petition for review of the
 4 proposed issue is pending before the department of local
 5 government finance.

6 (b) When a petition for review of a proposed issue is pending before
 7 the department of local government finance, the department may order
 8 the political subdivision to advertise for and receive bids for the
 9 construction of the public improvement. When the department of local
 10 government finance issues such an order, the political subdivision shall
 11 file a bid report with the department within five (5) days after the bids
 12 are received, and the department shall render a final decision on the
 13 proposed issue within fifteen (15) days after it receives the bid report.
 14 Notwithstanding the provisions of this subsection, a political
 15 subdivision may not enter into a contract for the construction of a
 16 public improvement while a petition for review of the bond issue which
 17 is to finance the improvement is pending before the department of local
 18 government finance.

19 SECTION 21. IC 6-1.1-20-10 IS AMENDED TO READ AS
 20 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) **This section**
 21 **applies if:**

22 (1) a petition and remonstrance process is commenced under
 23 section 3.2 of this chapter; **or**

24 (2) **a public question is certified to the county election board**
 25 **under section 3.6(d) of this chapter.**

26 (b) During the sixty (60) day period commencing with the notice
 27 under ~~section 3.2(1)~~ **section 3.2(b)(1)** of this chapter **(in the case of a**
 28 **controlled project subject to section 3.2 of this chapter) or during**
 29 **the period after a public question is certified to the county election**
 30 **board under section 3.6(d) of this chapter (in the case of a**
 31 **controlled project subject to section 3.6 of this chapter),** the
 32 political subdivision seeking to issue bonds or enter into a lease for the
 33 proposed controlled project may not promote a position on the petition
 34 or remonstrance **or public question** by doing any of the following:

35 (1) Allowing facilities or equipment, including mail and
 36 messaging systems, owned by the political subdivision to be used
 37 for public relations purposes to promote a position on the petition
 38 or remonstrance **or public question**, unless equal access to the
 39 facilities or equipment is given to persons with a position opposite
 40 to that of the political subdivision.

41 (2) Making an expenditure of money from a fund controlled by
 42 the political subdivision to promote a position on the petition or

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1 remonstrance **or public question** (except as necessary to explain
 2 the project to the public) or to pay for the gathering of signatures
 3 on a petition or remonstrance. This subdivision does not prohibit
 4 a political subdivision from making an expenditure of money to
 5 an attorney, an architect, a construction manager, or a financial
 6 adviser for professional services provided with respect to a
 7 controlled project.

8 (3) Using an employee to promote a position on the petition or
 9 remonstrance **or public question** during the employee's normal
 10 working hours or paid overtime.

11 (4) In the case of a school corporation, promoting a position on a
 12 petition or remonstrance **or public question** by:

13 (A) using students to transport written materials to their
 14 residences; or

15 (B) including a statement within another communication sent
 16 to the students' residences.

17 However, this section does not prohibit an employee of the political
 18 subdivision from carrying out duties with respect to a petition or
 19 remonstrance **or public question** that are part of the normal and
 20 regular conduct of the employee's office or agency.

21 ~~(b)~~ (c) A person may not solicit or collect signatures for a petition
 22 or remonstrance on property owned or controlled by the political
 23 subdivision.

24 SECTION 22. IC 6-1.1-22-2.5 IS ADDED TO THE INDIANA
 25 CODE AS A **NEW** SECTION TO READ AS FOLLOWS
 26 [EFFECTIVE UPON PASSAGE]: **Sec. 2.5. (a) Subject to subsection**
 27 **(b), for purposes of this section:**

28 (1) "adjusted residential rate" means a rate of tax per one
 29 hundred dollars (\$100) of assessed valuation for the current
 30 year that is one hundred three percent (103%) of the rate of
 31 tax per one hundred dollars (\$100) of assessed valuation
 32 imposed by a civil taxing unit or school corporation for
 33 property taxes first due and payable in the immediately
 34 preceding year;

35 (2) "current year rate" means the rate of tax per one hundred
 36 dollars (\$100) of assessed valuation certified under
 37 IC 6-1.1-17-16(f) by the department of local government for
 38 a civil taxing unit or school corporation for property taxes
 39 first due and payable in the current year;

40 (3) "preceding year rate" means the rate of tax per one
 41 hundred dollars (\$100) of assessed valuation certified under
 42 IC 6-1.1-17-16(f) by the department of local government

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1 finance for a civil taxing unit or school corporation for
 2 property taxes first due and payable in the year that
 3 immediately precedes the current year; and

4 (4) "residential real property" means real property that is
 5 assessed as residential property under the rules of the
 6 department of local government finance.

7 (b) A rate of tax per one hundred dollars (\$100) of assessed
 8 valuation referred to in subsection (a) does not include the part of
 9 the rate imposed to pay any of the following:

10 (1) Debt service.

11 (2) Lease rentals.

12 (c) The auditor of each county shall, before preparing the tax
 13 duplicate for the current year under section 3 of this chapter,
 14 identify each civil taxing unit and school corporation in the county
 15 for which the current year rate is greater than one hundred three
 16 percent (103%) of the preceding year rate.

17 (d) In preparing the tax duplicate under section 3 of this chapter
 18 for the current year for each civil taxing unit and school
 19 corporation identified under subsection (c), the county auditor
 20 shall, instead of applying the current year rate in the determination
 21 of property taxes on residential real property, apply a tax rate in
 22 the determination of property taxes on residential real property
 23 that equals the sum of:

24 (1) the adjusted residential rate; plus

25 (2) the rate imposed for the current year by the civil taxing
 26 unit or school corporation to pay any of the following:

27 (A) Debt service.

28 (B) Lease rentals.

29 (e) If a property tax revenue shortfall results from the
 30 application of the rate determined under subsection (d), the civil
 31 taxing unit or school corporation may not take any action to make
 32 up the shortfall.

33 SECTION 23. IC 6-1.1-22-4 IS AMENDED TO READ AS
 34 FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 4. (a) Immediately
 35 upon the receipt of the tax duplicate, the county treasurer shall give
 36 notice of the rate of tax per one ~~hundred~~ hundred dollars (\$100) of
 37 assessed valuation to be collected in the county for each purpose and
 38 the total of the rates in each taxing district. **If a rate determined under**
 39 **IC 6-1.1-22-2.5 applies, the county auditor shall include that rate**
 40 **in the notice.** This notice shall be published in the form prescribed by
 41 the department of local government finance three (3) times with each
 42 publication one (1) week apart.

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(b) The notice required by this section shall be printed in two (2) newspapers which represent different political parties and which are published in the county. However, if two (2) newspapers which represent different political parties are not published in the county, the notice shall be printed in one (1) newspaper.

SECTION 24. IC 8-1.5-5-30, AS ADDED BY P.L.131-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 30. (a) The board may defer enforcing the collection of unpaid fees and penalties assessed under this chapter until the unpaid fees and penalties have been due and unpaid for at least ninety (90) days.

(b) Except as provided in subsection (k), the board shall enforce payment of fees imposed under this chapter. As often as the board determines necessary in a calendar year, the board shall prepare either of the following:

(1) A list of the delinquent fees and penalties that are enforceable under this section. The list must include the following:

(A) The name of the owner of each lot or parcel of real property on which fees are delinquent.

(B) A description of the premises, as shown by the records of the county auditor.

(C) The amount of the delinquent fees, together with the penalty.

(2) An individual instrument for each lot or parcel of real property on which the fees are delinquent.

(c) An officer of the board shall record a copy of each list or each individual instrument with the county recorder who shall charge a fee for recording the list or each individual instrument in accordance with the fee schedule established in IC 36-2-7-10. The officer shall mail by certified mail, or by another delivery service providing proof of delivery, to each property owner on the list or on an individual instrument a notice stating that a lien against the owner's property has been recorded. A service charge of five dollars (\$5), which is in addition to the recording fee charged under this subsection and under subsection (e), shall be added to each delinquent fee that is recorded.

(d) Using the lists and instruments prepared under subsection (b) and recorded under subsection (c), the board shall, not later than ten (10) days after the list or each individual instrument is recorded under subsection (c), certify to the county auditor a list of the liens that remain unpaid for collection in the next May. The county and its officers and employees are not liable for any material error in the information on this list.

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(e) The board shall release any recorded lien when the delinquent fees, penalties, service charges, and recording fees have been fully paid. The county recorder shall charge a fee for releasing the lien in accordance with IC 36-2-7-10.

(f) Upon receipt of the list under subsection (c), the county auditor of each county shall add a fifteen dollar (\$15) certification fee for each lot or parcel of real property on which fees are delinquent. The fee is in addition to all other fees and charges. **A certification fee under this subsection may be increased under IC 36-1-8-16.** The county auditor shall immediately enter on the tax duplicate for the district the delinquent fees, penalties, service charges, recording fees, and certification fees, which are due not later than the due date of the next May installment of property taxes. The county treasurer shall include any unpaid charges for the delinquent fee, penalty, service charge, recording fee, and certification fee to the owner or owners of each lot or parcel of property, at the time the next cycle's property tax installment is billed.

(g) After certification of liens under subsection (d), the board may not collect or accept delinquent fees, penalties, service charges, recording fees, or certification fees from property owners whose property has been certified to the county auditor.

(h) If a delinquent fee, penalty, service charge, recording fee, and certification fee are not paid, they shall be collected by the county treasurer in the same way that delinquent property taxes are collected.

(i) At the time of each semiannual tax settlement, the county treasurer shall certify to the county auditor all fees, charges, and penalties that have been collected. The county auditor shall deduct the service charges and certification fees collected by the county treasurer and pay over to the officer the remaining fees and penalties due the district. The county treasurer shall retain the service charges and certification fees that have been collected and shall deposit them in the county general fund.

(j) Fees, penalties, and service charges that were not recorded before a recorded conveyance shall be removed from the tax roll for a purchaser who, in the manner prescribed by section 29(e) of this chapter, files a verified demand with the county auditor.

(k) A board may write off a fee or penalty under subsection (a) that is less than forty dollars (\$40).

SECTION 25. IC 8-14-9-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. All bonds and interest on bonds issued under this chapter are exempt from taxation as provided under IC 6-8-5-1. All general laws relating to:

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- (1) the filing of a petition requesting the issuance of bonds;
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; **or**
 - (B) **vote on the proposed issuance in an election on a local public question;**
- (3) the appropriation of the proceeds of the bonds and the approval of the appropriation by the department of local government finance; and
- (4) the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter.

SECTION 26. IC 8-22-3-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) The board may issue general obligation bonds of the authority for the purpose of procuring funds to pay the cost of acquiring real property, or constructing, enlarging, improving, remodeling, repairing, or equipping buildings, structures, runways, or other facilities, for use as or in connection with or for administrative purposes of the airport. The issuance of the bonds must be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds and for the time and character of notice and the mode of making sale. If one (1) airport is owned by the authority, an ordinance authorizing the issuance of bonds for a separate second airport is subject to approval as provided in this section. The bonds bear interest and are payable at the times and places that the board determines but running not more than twenty-five (25) years after the date of their issuance, and they must be executed in the name of the authority by the president of the board and attested by the secretary who shall affix to each of the bonds the official seal of the authority. The interest coupons attached to the bonds may be executed by placing on them the facsimile signature of the president of the board.

(b) The issuance of general obligation bonds must be approved by resolution of the following body:

- (1) When the authority is established by an eligible entity, by its fiscal body.
- (2) When the authority is established by two (2) or more eligible entities acting jointly, by the fiscal body of each of those entities.
- (3) When the authority was established under IC 19-6-2 (**before its repeal**), by the mayor of the consolidated city, and if a second airport is to be funded, also by the city-county council.
- (4) When the authority was established under IC 19-6-3 (**before its repeal**), by the county council.

(c) The airport director shall manage and supervise the preparation,

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advertisement, and sale of the bonds, subject to the authorizing ordinance. Before the sale of the bonds, the airport director shall cause notice of the sale to be published once each week for two (2) consecutive weeks in two (2) newspapers of general circulation published in the district, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest bidder, in accordance with the procedures for selling public bonds. After the bonds have been properly sold and executed, the airport director shall deliver them to the treasurer of the authority and take ~~his~~ a receipt for them, and shall certify to the treasurer the amount which the purchaser is to pay for them, together with the name and address of the purchaser. On payment of the purchase price the treasurer shall deliver the bonds to the purchaser, and the treasurer and airport director or superintendent shall report their actions to the board.

(d) The provisions of IC 6-1.1-20 and IC 5-1 relating to:

- (1) the filing of a petition requesting the issuance of bonds and giving notice of them;
- (2) the giving of notice of determination to issue bonds;
- (3) the giving of notice of hearing on the appropriation of the proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation;
- (4) the approval of the appropriation by the department of local government finance;
- (5) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) vote on the proposed issuance in an election on a local public question;** and
- (6) the sale of bonds at public sale for not less than par value;

are applicable to proceedings under this chapter for the issuance of general obligation bonds.

(e) Bonds issued under this chapter are not a corporate obligation or indebtedness of any eligible entity but are an indebtedness of the authority as a municipal corporation. An action to question the validity of the bonds issued or to prevent their issue must be instituted not later than the date set for sale of the bonds, and all of the bonds after that date are incontestable.

SECTION 27. IC 12-29-1-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 5. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

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- (1) The filing of a petition requesting the issuance of bonds.
- (2) The giving of notice of the following:
 - (A) The filing of the petition requesting the issuance of the bonds.
 - (B) The determination to issue bonds.
 - (C) A hearing on the appropriation of the proceeds of the bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local government finance.
- (5) The right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; **or**
 - (B) **vote on the proposed issuance in an election on a local public question.**

SECTION 28. IC 12-29-2-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. All general Indiana statutes relating to the following apply to the issuance of county bonds under this chapter:

- (1) The filing of a petition requesting the issuance of bonds.
- (2) The giving of notice of the following:
 - (A) The filing of the petition requesting the issuance of the bonds.
 - (B) The determination to issue bonds.
 - (C) A hearing on the appropriation of the proceeds of the bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local government finance.
- (5) The right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; **or**
 - (B) **vote on the proposed issuance in an election on a local public question.**

SECTION 29. IC 14-27-6-40 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 40. The provisions of IC 5-1 and IC 6-1.1-20 relating to the following apply to proceedings under this chapter:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of determination to issue bonds.
- (3) The giving of notice of hearing on the appropriation of the

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proceeds of bonds and the right of taxpayers to appeal and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) **vote on the proposed issuance in an election on a local public question.**

(6) The sale of bonds at public sale for not less than the par value.

SECTION 30. IC 14-33-11-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) Before offering bonds for sale, the board shall give notice in the same manner as is **provided required by IC 6-1.1-20** for the sale of bonds by municipal corporations

(b) Persons affected are entitled to:

(1) remonstrate against issuance of the bonds **(in the case of a preliminary determination made before July 1, 2006, to issue bonds); or**

(2) **vote on the proposed issuance in an election on a local public question (in the case of a preliminary determination made after June 30, 2006, to issue bonds).**

(c) An action to question the validity of the bonds may not be instituted after the date fixed for sale, and the bonds are incontestable after that time.

SECTION 31. IC 14-33-11-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 9. If the board is denied the right to issue bonds as a result of remonstrance proceedings **or an election on a local public question held under IC 6-1.1-20-3.6:**

(1) all contracts let by the board for work to be paid from the sale of bonds are void; and

(2) no liability accrues to the district or to the board.

SECTION 32. IC 16-22-6-20 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) If the execution of the original or a modified lease is authorized, notice of the signing shall be published on behalf of the county one (1) time in a newspaper of general circulation and published in the county. Except as provided in subsection (b), at least ten (10) taxpayers in the county whose tax rate will be affected by the proposed lease may file a petition with the county auditor not more than thirty (30) days after publication of notice of the execution of the lease. The petition must set forth the objections to the lease and facts showing that the execution of the lease is unnecessary or unwise or that the lease rental is not fair and reasonable.

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(b) The authority for taxpayers to object to a proposed lease described in subsection (a) does not apply if the authority complies with the procedures for the issuance of bonds and other evidences of indebtedness described in ~~IC 6-1.1-20-3.1 and IC 6-1.1-20-3.2.~~ **IC 6-1.1-20.**

SECTION 33. IC 16-22-8-43 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 43. (a) The board may issue general obligation bonds of the corporation to procure funds to pay the cost of acquiring real property or constructing, enlarging, improving, remodeling, repairing, or equipping buildings and other structures for use as or in connection with hospitals, clinics, health centers, dispensaries, or for administrative purposes. The issuance of the bonds shall be authorized by ordinance of the board providing for the amount, terms, and tenor of the bonds, for the time and character of notice, and the mode of making the sale. The bonds shall be payable not more than forty (40) years after the date of issuance and shall be executed in the name of the corporation by the chairman of the board and attested by the executive director, who shall affix to each of the bonds the official seal of the corporation. The interest coupons attached to the bonds may be executed by facsimile signature of the chairman of the board.

(b) The executive director shall manage and supervise the preparation, advertisement, and sale of bonds, subject to the provisions of the authorizing ordinance. Before the sale of the bonds, the executive director shall publish notice of the sale in accordance with IC 5-3-1, setting out the time and place where bids will be received, the amount and maturity dates of the issue, the maximum interest rate, and the terms and conditions of sale and delivery of the bonds. The bonds shall be sold to the highest and best bidder. After the bonds have been sold and executed, the executive director shall deliver the bonds to the treasurer of the corporation and take the treasurer's receipt, and shall certify to the treasurer the amount that the purchaser is to pay, together with the name and address of the purchaser. On payment of the purchase price, the treasurer shall deliver the bonds to the purchaser, and the treasurer and executive director shall report the actions to the board.

(c) IC 5-1 and IC 6-1.1-20 apply to the following proceedings:

- (1) Notice and filing of the petition requesting the issuance of the bonds.
- (2) Notice of determination to issue bonds.
- (3) Notice of hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appeal and be heard.

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(4) Approval by the department of local government finance.

(5) The right to:

(A) remonstrate; or

(B) vote on the proposed issuance in an election on a local public question.

(6) Sale of bonds at public sale for not less than the par value.

(d) The bonds are the direct general obligations of the corporation and are payable out of unlimited ad valorem taxes levied and collected on all the taxable property within the county of the corporation. All officials and bodies having to do with the levying of taxes for the corporation shall see that sufficient levies are made to meet the principal and interest on the bonds at the time fixed for payment.

(e) The bonds are exempt from taxation for all purposes but the interest is subject to the adjusted gross income tax.

SECTION 34. IC 21-2-14-6, AS AMENDED BY P.L.1-2005, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) The loan provided in section 4 of this chapter shall be initiated by a resolution of the governing body of the school corporation in an amount which, together with the outstanding obligations of the school corporation, shall not exceed its maximum permissible debt under the Indiana constitution. Such resolution shall not be effective until it is approved by the state board upon petition of the governing body of the school corporation.

(b) The provisions of all general laws relating to:

(1) the filing of petitions requesting issuance of bonds or other evidences of indebtedness (herein referred to as "the loan"); and

(2) the giving of notice of determination to issue bonds;

(3) the approval of the appropriation by the department of local government finance; and

(4) the right of taxpayers to:

(A) remonstrate on the issuance or sale of the loan; or

(B) vote on the proposed issuance in an election on a local public question;

as provided under IC 6-1.1-20 shall not be applicable or shall not be a prerequisite to the validity of such loan, unless the obligation is a lease or lease purchase agreement described in IC 6-1.1-20.

(c) After the petition has been approved by the state board, the loan may be effected either by a loan from a financial institution evidenced by notes or by the issuance of bonds. The loan or the issuance of bonds shall be made only by public bidding after notice, in accordance with IC 5-1-11. The loan or bonds shall be sold at par and bear interest as determined by the bidding. Any bonds issued shall, except as otherwise

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provided in this section, be governed by IC 21-2-21. Any such bonds or loan may be secured by a pledge of the supplemental school operating reserve fund and the tax levy for such fund, or any unobligated part thereof; and shall be further secured as debt service obligations as provided in IC 21-2-21-10(c).

SECTION 35. IC 21-2-21-1.8, AS ADDED BY P.L.214-2005, SECTION 62, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1.8. (a) For purposes of this section, "retirement or severance liability" means the payments anticipated to be required to be made to employees of a school corporation upon or after termination of the employment of the employees by the school corporation under an existing or previous employment agreement.

(b) This section applies to each school corporation that:

- (1) did not issue bonds under IC 20-5-4-1.7 before its repeal; or
- (2) issued bonds under IC 20-5-4-1.7 before April 14, 2003.

(c) In addition to the purposes set forth in section 1 of this chapter, a school corporation described in subsection (b) may issue bonds to implement solutions to contractual retirement or severance liability. The issuance of bonds for this purpose is subject to the following conditions:

- (1) The school corporation may issue bonds under this section only one (1) time.
- (2) The school corporation must issue the bonds before July 1, 2006.
- (3) The solution to which the bonds are contributing must be reasonably expected to reduce the school corporation's unfunded contractual liability for retirement or severance payments as it existed on June 30, 2001.
- (4) The amount of the bonds that may be issued for the purpose described in this section may not exceed:
 - (A) two percent (2%) of the true tax value of property in the school corporation, for a school corporation that did not issue bonds under IC 20-5-4-1.7 before its repeal; or
 - (B) the remainder of:
 - (i) two percent (2%) of the true tax value of property in the school corporation as of the date that the school corporation issued bonds under IC 20-5-4-1.7; minus
 - (ii) the amount of bonds that the school corporation issued under IC 20-5-4-1.7;
 for a school corporation that issued bonds under IC 20-5-4-1.7 before April 14, 2003.
- (5) Each year that a debt service levy is needed under this section,

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the school corporation shall reduce the total property tax levy for the school corporation's transportation, school bus replacement, capital projects, or art association and historical society funds in an amount equal to the property tax levy needed for the debt service under this section. The property tax rate for each of these funds shall be reduced each year until the bonds are retired.

(6) The school corporation shall establish a separate debt service fund for repayment of the bonds issued under this section.

(d) Bonds issued for the purpose described in this section shall be issued in the same manner as other bonds of the school corporation.

(e) Bonds issued under this section are not subject:

(1) to the petition and remonstrance process under IC 6-1.1-20;

(2) to approval in an election on a local public question under IC 6-1.1-20; or

(3) to the limitations contained in IC 36-1-15.

SECTION 36. IC 21-2-21-7, AS ADDED BY P.L.1-2005, SECTION 39, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. The provisions of all general statutes and rules relating to:

(1) filing petitions requesting the issuance of bonds and giving notice of the issuance of bonds;

(2) giving notice of determination to issue bonds;

(3) giving notice of a hearing on the appropriation of the proceeds of the bonds and the right of taxpayers to appear and be heard on the proposed appropriation;

(4) the approval of the appropriation by the department of local government finance; and

(5) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance in an election on a local public question;

apply to proceedings for the issuance of bonds and the making of an emergency loan under this chapter and IC 20-26-1 through IC 20-26-5. An action to contest the validity of the bonds or emergency loans may not be brought later than five (5) days after the acceptance of a bid for the sale of the bonds.

SECTION 37. IC 21-5-9-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) A lessor corporation qualified or formed to acquire a site, erect a school building thereon, and lease it to a school corporation under either IC 21-5-11 or IC 21-5-12 may also be qualified or formed to, and may, acquire, improve, or expand existing school buildings, may finance the

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existing or improved school buildings, and may lease them to a school corporation under the applicable law.

(b) A lessor corporation may also acquire and finance an existing school building, other than as provided in subsection (a), and lease it to a school corporation. A school corporation shall comply in all respects with:

(1) all statutory requirements of IC 21-5-11 or IC 21-5-12; and

(2) either:

(A) the petition and remonstrance (in the case of a preliminary determination made before July 1, 2006, to enter into a lease); or

(B) an election on the local public question (in the case of a preliminary determination made after June 30, 2006, to enter into a lease); and

(3) all provisions under IC 6-1.1-20.

A lease made under this subsection may provide for the payment of lease rentals by the school corporation for the use of the existing school building. Lease rental payments made under the lease do not constitute a debt of the school corporation for purposes of the Constitution of the State of Indiana. A new school building may be substituted for the existing school building under the lease if the substitution was included in the notices given under IC 21-5-11, IC 21-5-12, and IC 6-1.1-20. A new school building shall be substituted for the existing school building upon completion. A school corporation may not pay a legal or other professional fee as the result of an exchange or a substitution under this section.

(c) "Existing school building" includes any school building (as defined under IC 21-5-11 or IC 21-5-12) and any building that after acquisition will be used as a school building (as defined in IC 21-5-11 or IC 21-5-12) and may include more than one (1) building but shall not include a portable or relocatable building or classroom.

(d) "Improved school building" means an existing school building as improved, renovated, remodeled, or expanded by a lessor corporation.

SECTION 38. IC 22-4-29-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) If the clerk fails to record the warrant and issue the same to the department within five (5) days after it has been received by the clerk as herein provided, the clerk shall forfeit to the state for each such failure the sum of twenty dollars (\$20), which shall be deposited in the unemployment insurance benefit fund.

(b) Within one hundred twenty (120) days from the date of receipt

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of the warrant (or immediately after service if the warrant is fully satisfied or found to be wholly uncollectible) the sheriff shall return it to the department, together with the money collected, less fees and costs.

(c) "Costs" as referred to in this subsection includes the fees of the clerk and sheriff as are specifically provided for and costs of storage, appraisal, publication, and other necessary and properly chargeable expenses incurred in the sale of property on execution. The costs herein specifically prescribed for the clerk and sheriff shall be as follows:

(1) Clerk's fee of three dollars (\$3) to be charged on the warrant and paid to the clerk for recording the warrant.

(2) Sheriff's fee of:

(A) six dollars (\$6) to be charged on the warrant and paid to the sheriff in every instance in which the warrant has been duly and properly served and the schedules and affidavits hereinafter provided for have been executed and signed; or

(B) ten dollars (\$10) for sale of property on execution or decree, including making a deed or certificate of sale, to be charged on the warrant.

A clerk's fee or a sheriff's fee under this subsection may be increased under IC 36-1-8-16.

SECTION 39. IC 29-1-7-3.1, AS ADDED BY P.L.238-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.1. (a) This section applies whether it is:

(1) known; or

(2) unknown;

whether a testator is living.

(b) As used in this section, "depositor" refers to a person who deposits a will with the circuit court clerk under this section.

(c) As used in this section, "will" refers to an original:

(1) will;

(2) codicil; or

(3) will and codicil.

(d) A person may deposit a will with the circuit court clerk of the county in which the testator resided when the testator executed the will. The circuit court clerk may assume, without inquiring into the facts, that the depositor's representation is accurate as to the county where the testator resided when the testator executed the will. Except as provided in subsection (e), the circuit court clerk shall collect a fee of twenty-five dollars (\$25) for the deposit of the will. **A fee under this subsection may be increased under IC 36-1-8-16.** The circuit court clerk shall deposit the fee in the clerk's record perpetuation fund under

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1 IC 33-37-5-2.

2 (e) The circuit court:

3 (1) shall waive the fee under subsection (d) if:

4 (A) a court with probate jurisdiction of the county where the
5 will is deposited certifies that the depositor deposits the will:

6 (i) as a participant; or

7 (ii) for a participant;

8 in a program of the supreme court, including the Judges and
9 Lawyers Assistance Program established under Rule 31 of the
10 supreme court Rules for Admission to the Bar and the
11 Discipline of Attorneys; and

12 (B) the certification described in clause (A) accompanies the
13 will when the will is deposited; and

14 (2) may waive the fee under subsection (d) if the depositor is no
15 longer practicing law.

16 (f) Upon receipt of a will under this section, the circuit court clerk
17 shall:

18 (1) provide the depositor with a receipt for the will;

19 (2) place the will in an envelope and seal the envelope securely in
20 the presence of the depositor;

21 (3) designate on the envelope the:

22 (A) date of deposit;

23 (B) name of the testator; and

24 (C) name and address of the depositor; and

25 (4) index the will alphabetically by the name of the testator.

26 An envelope and will deposited under this section is not a public record
27 under IC 5-14-3.

28 (g) During the testator's lifetime, the circuit court clerk shall:

29 (1) keep the envelope containing the will sealed; and

30 (2) deliver the envelope to:

31 (A) the testator; or

32 (B) a person authorized, in a writing signed by the testator, to
33 receive the envelope.

34 (h) If the circuit court clerk has custody of the will after the death of
35 the testator, the circuit court clerk may deliver the will to the court that
36 has jurisdiction of the administration of the decedent's estate as set
37 forth in section 3 of this chapter.

38 (i) A circuit court clerk may destroy a will deposited under this
39 section if:

40 (1) the circuit court clerk has not received notice of the death of
41 the testator; and

42 (2) at least one hundred (100) years have passed since the date the

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will was deposited.

(j) A depositor that complies with this section is immune from civil liability for depositing the will.

SECTION 40. IC 32-28-3-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) Except as provided in subsection (b), a person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

(1) in the recorder's office of the county; and

(2) not later than ninety (90) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(b) This subsection applies to a person that performs labor or furnishes materials or machinery described in section 1 of this chapter related to a Class 2 structure (as defined in IC 22-12-1-5) or an improvement on the same real estate auxiliary to a Class 2 structure (as defined in IC 22-12-1-5). A person who wishes to acquire a lien upon property, whether the claim is due or not, must file in duplicate a sworn statement and notice of the person's intention to hold a lien upon the property for the amount of the claim:

(1) in the recorder's office of the county; and

(2) not later than sixty (60) days after performing labor or furnishing materials or machinery described in section 1 of this chapter.

The statement and notice of intention to hold a lien may be verified and filed on behalf of a client by an attorney registered with the clerk of the supreme court as an attorney in good standing under the requirements of the supreme court.

(c) A statement and notice of intention to hold a lien filed under this section must specifically set forth:

(1) the amount claimed;

(2) the name and address of the claimant;

(3) the owner's:

(A) name; and

(B) latest address as shown on the property tax records of the county; and

(4) the:

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- 1 (A) legal description; and
 2 (B) street and number, if any;
 3 of the lot or land on which the house, mill, manufactory or other
 4 buildings, bridge, reservoir, system of waterworks, or other
 5 structure may stand or be connected with or to which it may be
 6 removed.

7 The name of the owner and legal description of the lot or land will be
 8 sufficient if they are substantially as set forth in the latest entry in the
 9 transfer books described in IC 6-1.1-5-4 of the county auditor or, if
 10 IC 6-1.1-5-9 applies, the transfer books of the township assessor at the
 11 time of filing of the notice of intention to hold a lien.

12 (d) The recorder shall:

- 13 (1) mail, first class, one (1) of the duplicates of the statement and
 14 notice of intention to hold a lien to the owner named in the
 15 statement and notice not later than three (3) business days after
 16 recordation;
 17 (2) post records as to the date of the mailing; and
 18 (3) collect a fee of two dollars (\$2) from the lien claimant for each
 19 statement and notice that is mailed.

20 **A fee collected under subdivision (3) may be increased under**
 21 **IC 36-1-8-16.** The statement and notice shall be addressed to the latest
 22 address of the owner as specifically set out in the sworn statement and
 23 notice of the person intending to hold a lien upon the property.

24 SECTION 41. IC 32-29-7-3, AS AMENDED BY P.L.240-2005,
 25 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 26 JULY 1, 2006]: Sec. 3. (a) In a proceeding for the foreclosure of a
 27 mortgage executed on real estate, process may not issue for the
 28 execution of a judgment or decree of sale for a period of three (3)
 29 months after the filing of a complaint in the proceeding. However:

30 (1) the period is:

- 31 (A) twelve (12) months in a proceeding for the foreclosure of
 32 a mortgage executed before January 1, 1958; and
 33 (B) six (6) months in a proceeding for the foreclosure of a
 34 mortgage executed after December 31, 1957, but before July
 35 1, 1975; and

36 (2) if the court finds that the mortgaged real estate is residential
 37 real estate and has been abandoned, a judgment or decree of sale
 38 may be executed on the date the judgment of foreclosure or
 39 decree of sale is entered, regardless of the date the mortgage is
 40 executed.

41 (b) A judgment and decree in a proceeding to foreclose a mortgage
 42 that is entered by a court having jurisdiction may be filed with the clerk

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1 in any county as provided in IC 33-32-3-2. After the period set forth in
 2 subsection (a) expires, a person who may enforce the judgment and
 3 decree may file a praecipe with the clerk in any county where the
 4 judgment and decree is filed, and the clerk shall promptly issue and
 5 certify to the sheriff of that county a copy of the judgment and decree
 6 under the seal of the court.

7 (c) Upon receiving a certified judgment under subsection (b), the
 8 sheriff shall, subject to section 4 of this chapter, sell the mortgaged
 9 premises or as much of the mortgaged premises as necessary to satisfy
 10 the judgment, interest, and costs at public auction at the office of the
 11 sheriff or at another location that is reasonably likely to attract higher
 12 competitive bids. The sheriff shall schedule the date and time of the
 13 sheriff's sale for a time certain between the hours of 10 a.m. and 4 p.m.
 14 on any day of the week except Sunday.

15 (d) Before selling mortgaged property, the sheriff must advertise the
 16 sale by publication once each week for three (3) successive weeks in
 17 a daily or weekly newspaper of general circulation. The sheriff shall
 18 publish the advertisement in at least one (1) newspaper published and
 19 circulated in each county where the real estate is situated. The first
 20 publication shall be made at least thirty (30) days before the date of
 21 sale. At the time of placing the first advertisement by publication, the
 22 sheriff shall also serve a copy of the written or printed notice of sale
 23 upon each owner of the real estate. Service of the written notice shall
 24 be made as provided in the Indiana Rules of Trial Procedure governing
 25 service of process upon a person. The sheriff shall charge a fee of ten
 26 dollars (\$10) to one (1) owner and three dollars (\$3) to each additional
 27 owner for service of written notice under this subsection. **A fee under**
 28 **this subsection may be increased under IC 36-1-8-16.** The fee is:

- 29 (1) a cost of the proceeding;
- 30 (2) to be collected as other costs of the proceeding are collected;
- 31 and
- 32 (3) to be deposited in the county general fund for appropriation
- 33 for operating expenses of the sheriff's department.

34 (e) The sheriff also shall post written or printed notices of the sale
 35 in at least three (3) public places in each township in which the real
 36 estate is situated and at the door of the courthouse of each county in
 37 which the real estate is located.

38 (f) If the sheriff is unable to procure the publication of a notice
 39 within the county, the sheriff may dispense with publication. The
 40 sheriff shall state that the sheriff was not able to procure the
 41 publication and explain the reason why publication was not possible.

42 (g) Notices under subsections (d) and (e) must contain a statement,

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for informational purposes only, of the location of each property by street address, if any, or other common description of the property other than legal description. A misstatement in the informational statement under this subsection does not invalidate an otherwise valid sale.

(h) The sheriff may charge an administrative fee of not more than two hundred dollars (\$200) with respect to a proceeding referred to in subsection (b) for actual costs directly attributable to the administration of the sale under subsection (c). The fee is:

(1) payable by the person seeking to enforce the judgment and decree; and

(2) due at the time of filing of the praecipe; under subsection (b).

SECTION 42. IC 32-34-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. Property described in section 1 of this chapter that is greater than ten dollars (\$10) in value must be advertised in a newspaper of the county, if there be one, and if not, in a paper in Indiana nearest the county where the property was found. The clerk shall forward to the printer a copy of the register that is marked on the outside, "Stray Property," together with a fee of one dollar (\$1) out of which the printer shall pay postage. **A postage fee under this section may be increased under IC 36-1-8-16.**

SECTION 43. IC 32-34-8-14 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 14. (a) If the property described in section 13 of this chapter is greater than three dollars (\$3) in value, the finder of the property shall pay to the court, at the time of reporting, fifty cents (\$0.50) for the judge of the court, fifty cents (\$0.50) for the clerk, and one dollar (\$1) for the printer where printing is required.

(b) If the value of the property described in section 13 of this chapter is less than three dollars (\$3), the court may not make a return to the clerk and the fee is twenty-five cents (\$0.25).

(c) A fee under this section may be increased under IC 36-1-8-16.

SECTION 44. IC 33-23-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) In addition to the fees required under IC 33-37-4-4, if a county meets the requirements of this chapter, the clerk of the court shall collect from the party filing a petition for legal separation, paternity, or dissolution of marriage under IC 31 an alternative dispute resolution fee of twenty dollars (\$20). **A fee under this subsection may be increased under IC 36-1-8-16.**

(b) Not later than thirty (30) days after the clerk collects a fee under

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subsection (a), the clerk shall forward to the county auditor the alternative dispute resolution fee. The county auditor shall deposit the fee forwarded by the clerk under this section into the alternative dispute resolution fund.

SECTION 45. IC 33-32-5-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) For issuing a marriage license under IC 31-11-4, the clerk shall collect a fee of ten dollars (\$10). The clerk shall pay these fees to the treasurer of state, who shall deposit the money in the state user fee fund established by IC 33-37-9-2.

(b) For issuing a marriage certificate under IC 31-11-4, the clerk shall collect the following fee:

(1) Eight dollars (\$8), if at least one (1) of the individuals is a resident of Indiana.

(2) Fifty dollars (\$50), if neither of the individuals is a resident of Indiana.

A fee under this subsection may be increased under IC 36-1-8-16. When collected, these fees shall be deposited in the general fund of the county.

SECTION 46. IC 33-32-5-2 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. For issuing a license to hold a distress sale under IC 25-18-1-6, the clerk shall collect the following fee:

(1) Forty dollars (\$40) if the value of the inventory is not more than twenty-five thousand dollars (\$25,000).

(2) Sixty-five dollars (\$65) if the value of the inventory is more than twenty-five thousand dollars (\$25,000) but not more than fifty thousand dollars (\$50,000).

(3) One hundred dollars (\$100) if the value of the inventory is more than fifty thousand dollars (\$50,000) but not more than seventy-five thousand dollars (\$75,000).

(4) One hundred fifty dollars (\$150) if the value of the inventory is more than seventy-five thousand dollars (\$75,000).

A fee under this section may be increased under IC 36-1-8-16.

SECTION 47. IC 33-34-8-1, AS AMENDED BY P.L.176-2005, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) The following fees and costs apply to cases in the small claims court:

(1) A township docket fee of five dollars (\$5) plus forty-five percent (45%) of the infraction or ordinance violation costs fee under IC 33-37-4-2.

(2) The bailiff's service of process by registered or certified mail

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1 fee of thirteen dollars (\$13) for each service.

2 (3) The cost for the personal service of process by the bailiff or
3 other process server of thirteen dollars (\$13) for each service.

4 (4) Witness fees, if any, in the amount provided by IC 33-37-10-3
5 to be taxed and charged in the circuit court.

6 (5) A redocketing fee, if any, of five dollars (\$5).

7 (6) A document storage fee under IC 33-37-5-20.

8 (7) An automated record keeping fee under IC 33-37-5-21.

9 (8) A late fee, if any, under IC 33-37-5-22.

10 (9) A public defense administration fee under IC 33-37-5-21.2.

11 (10) A judicial insurance adjustment fee under IC 33-37-5-25.

12 (11) A judicial salaries fee under IC 33-37-5-26.

13 (12) A court administration fee under IC 33-37-5-27.

14 **A fee under subdivision (1), (2), (3), or (5) may be increased under**
15 **IC 36-1-8-16.** The docket fee and the cost for the initial service of
16 process shall be paid at the institution of a case. The cost of service
17 after the initial service shall be assessed and paid after service has been
18 made. The cost of witness fees shall be paid before the witnesses are
19 called.

20 (b) If the amount of the township docket fee computed under
21 subsection (a)(1) is not equal to a whole number, the amount shall be
22 rounded to the next highest whole number.

23 SECTION 48. IC 33-35-3-3 IS AMENDED TO READ AS
24 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The bailiff of a
25 city court must be a police officer of the city assigned to the court by
26 the chief of police, under direction of the board of public safety.
27 However, the judge of the city court may appoint another person to
28 serve as bailiff.

29 (b) The bailiff shall give bond payable to the city in the penal sum
30 of one thousand dollars (\$1,000), with surety to be approved by the
31 mayor, conditioned on the faithful and honest discharge of the bailiff's
32 duties. The bond shall be filed in the office of the controller or
33 clerk-treasurer.

34 (c) The bailiff shall do the following:

35 (1) Be present at the sessions of the court, maintaining order and
36 performing all other duties subject to the order of the court.

37 (2) Take charge of all executions issued by the court and see to
38 the collection of the executions.

39 (3) Keep, in books to be furnished by the controller or
40 clerk-treasurer, an accurate account and docket of all executions
41 that come into the bailiff's hands, showing the:

42 (A) names of the defendants;

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- 1 (B) date and number of the execution;
 2 (C) amount of fines, fees, or penalties imposed; and
 3 (D) disposition of the execution.
 4 (4) Make and deliver a written report to the clerk of the court on
 5 Tuesday of each week, showing all money collected by the bailiff
 6 during the previous week, giving the:
 7 (A) names of the defendants;
 8 (B) number of executions; and
 9 (C) amount of fines, fees, or penalties collected;
 10 and pay the money to the clerk, taking the clerk's receipt for the
 11 payments.
 12 (d) The salary of the bailiff shall be fixed as salaries of other police
 13 officers are fixed.
 14 (e) The bailiff of a city court of the three (3) cities having the largest
 15 populations in a county having a population of more than four hundred
 16 thousand (400,000) but less than seven hundred thousand (700,000)
 17 shall be appointed by the judge of the court. The bailiff shall serve and
 18 execute all processes issued by the court and is entitled to receive a
 19 salary fixed by the common council of the city. In addition, the bailiff
 20 may collect a fee from a defendant for the bailiff's own use on all
 21 execution sales of property under an execution or attachment as
 22 follows:
 23 (1) On the first fifty dollars (\$50), ten percent (10%).
 24 (2) On more than fifty dollars (\$50) and not more than three
 25 hundred dollars (\$300), five percent (5%).
 26 (3) On all sums over three hundred dollars (\$300), three percent
 27 (3%).
 28 (4) Any additional sum necessarily expended by the bailiff in
 29 collecting the judgment.
 30 **A fee under this subsection may be increased under IC 36-1-8-16.**
 31 A bailiff may use the bailiff's private vehicle in the performance of the
 32 bailiff's duties and is entitled to receive a sum for mileage equal to the
 33 sum paid per mile to state officers and employees. The payment to the
 34 bailiff is subject to the approval of the judge. The judge shall include
 35 in the budget for the court sufficient money to provide for the
 36 anticipated claims of the bailiff. The common council shall make
 37 annual appropriations that are necessary to carry out this subsection.
 38 SECTION 49. IC 33-37-4-1, AS AMENDED BY P.L.176-2005,
 39 SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 40 JULY 1, 2006]: Sec. 1. (a) For each action that results in a felony
 41 conviction under IC 35-50-2 or a misdemeanor conviction under
 42 IC 35-50-3, the clerk shall collect from the defendant a criminal costs

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1 fee of one hundred twenty dollars (\$120). **A criminal costs fee under**
 2 **this subsection may be increased under IC 36-1-8-16.**
 3 **Notwithstanding any other law, the part of the fee that results from**
 4 **an increase under IC 36-1-8-16 is in addition to any county shares**
 5 **or city or town shares retained under IC 33-37-7 and shall be**
 6 **collected and distributed in the same manner as county shares or**
 7 **city or town shares are collected and distributed under IC 33-37-7.**

8 (b) In addition to the criminal costs fee collected under this section,
 9 the clerk shall collect from the defendant the following fees if they are
 10 required under IC 33-37-5:

11 (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or
 12 IC 33-37-5-4).

13 (2) A marijuana eradication program fee (IC 33-37-5-7).

14 (3) An alcohol and drug services program user fee
 15 (IC 33-37-5-8(b)).

16 (4) A law enforcement continuing education program fee
 17 (IC 33-37-5-8(c)).

18 (5) A drug abuse, prosecution, interdiction, and correction fee
 19 (IC 33-37-5-9).

20 (6) An alcohol and drug countermeasures fee (IC 33-37-5-10).

21 (7) A child abuse prevention fee (IC 33-37-5-12).

22 (8) A domestic violence prevention and treatment fee
 23 (IC 33-37-5-13).

24 (9) A highway work zone fee (IC 33-37-5-14).

25 (10) A deferred prosecution fee (IC 33-37-5-17).

26 (11) A document storage fee (IC 33-37-5-20).

27 (12) An automated record keeping fee (IC 33-37-5-21).

28 (13) A late payment fee (IC 33-37-5-22).

29 (14) A sexual assault victims assistance fee (IC 33-37-5-23).

30 (15) A public defense administration fee (IC 33-37-5-21.2).

31 (16) A judicial insurance adjustment fee (IC 33-37-5-25).

32 (17) A judicial salaries fee (IC 33-37-5-26).

33 (18) A court administration fee (IC 33-37-5-27).

34 (19) A DNA sample processing fee (IC 33-37-5-26.2).

35 (c) Instead of the criminal costs fee prescribed by this section, the
 36 clerk shall collect a pretrial diversion program fee if an agreement
 37 between the prosecuting attorney and the accused person entered into
 38 under IC 33-39-1-8 requires payment of those fees by the accused
 39 person. The pretrial diversion program fee is:

40 (1) an initial user's fee of fifty dollars (\$50); and

41 (2) a monthly user's fee of ten dollars (\$10) for each month that
 42 the person remains in the pretrial diversion program.

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A pretrial diversion program user's fee under subdivision (1) or (2) may be increased under IC 36-1-8-16.

(d) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees, not later than thirty (30) days after the fees are collected:

- (1) The pretrial diversion fee.
- (2) The marijuana eradication program fee.
- (3) The alcohol and drug services program user fee.
- (4) The law enforcement continuing education program fee.

The auditor or fiscal officer shall deposit fees transferred under this subsection in the appropriate user fee fund established under IC 33-37-8.

(e) Unless otherwise directed by a court, if a clerk collects only part of a criminal costs fee from a defendant under this section, the clerk shall distribute the partial payment of the criminal costs fee as follows:

- (1) The clerk shall apply the partial payment to general court costs.
- (2) If there is money remaining after the partial payment is applied to general court costs under subdivision (1), the clerk shall distribute the remainder of the partial payment for deposit in the appropriate county user fee fund.
- (3) If there is money remaining after distribution under subdivision (2), the clerk shall distribute the remainder of the partial payment for deposit in the state user fee fund.
- (4) If there is money remaining after distribution under subdivision (3), the clerk shall distribute the remainder of the partial payment to any other applicable user fee fund.
- (5) If there is money remaining after distribution under subdivision (4), the clerk shall apply the remainder of the partial payment to any outstanding fines owed by the defendant.

SECTION 50. IC 33-37-4-2, AS AMENDED BY P.L.176-2005, SECTION 5, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 2. (a) Except as provided in subsections (d) and (e), for each action that results in a judgment:

- (1) for a violation constituting an infraction; or
- (2) for a violation of an ordinance of a municipal corporation (as defined in IC 36-1-2-10);

the clerk shall collect from the defendant an infraction or ordinance violation costs fee of seventy dollars (\$70). **An infraction or ordinance violation costs fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the fee that results from an increase under IC 36-1-8-16 is**

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in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

(b) In addition to the infraction or ordinance violation costs fee collected under this section, the clerk shall collect from the defendant the following fees, if they are required under IC 33-37-5:

- (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
- (2) An alcohol and drug services program user fee (IC 33-37-5-8(b)).
- (3) A law enforcement continuing education program fee (IC 33-37-5-8(c)).
- (4) An alcohol and drug countermeasures fee (IC 33-37-5-10).
- (5) A highway work zone fee (IC 33-37-5-14).
- (6) A deferred prosecution fee (IC 33-37-5-17).
- (7) A jury fee (IC 33-37-5-19).
- (8) A document storage fee (IC 33-37-5-20).
- (9) An automated record keeping fee (IC 33-37-5-21).
- (10) A late payment fee (IC 33-37-5-22).
- (11) A public defense administration fee (IC 33-37-5-21.2).
- (12) A judicial insurance adjustment fee (IC 33-37-5-25).
- (13) A judicial salaries fee (IC 33-37-5-26).
- (14) A court administration fee (IC 33-37-5-27).
- (15) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or fiscal officer of the municipal corporation the following fees, not later than thirty (30) days after the fees are collected:

- (1) The alcohol and drug services program user fee (IC 33-37-5-8(b)).
- (2) The law enforcement continuing education program fee (IC 33-37-5-8(c)).
- (3) The deferral program fee (subsection (e)).

The auditor or fiscal officer shall deposit the fees in the user fee fund established under IC 33-37-8.

(d) The defendant is not liable for any ordinance violation costs fee in an action if all the following apply:

- (1) The defendant was charged with an ordinance violation subject to IC 33-36.
- (2) The defendant denied the violation under IC 33-36-3.
- (3) Proceedings in court against the defendant were initiated under IC 34-28-5 (or IC 34-4-32 before its repeal).

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(4) The defendant was tried and the court entered judgment for the defendant for the violation.

(e) Instead of the infraction or ordinance violation costs fee prescribed by subsection (a), the clerk shall collect a deferral program fee if an agreement between a prosecuting attorney or an attorney for a municipal corporation and the person charged with a violation entered into under IC 34-28-5-1 (or IC 34-4-32-1 before its repeal) requires payment of those fees by the person charged with the violation. The deferral program fee is:

(1) an initial user's fee not to exceed fifty-two dollars (\$52); and

(2) a monthly user's fee not to exceed ten dollars (\$10) for each month the person remains in the deferral program.

A deferral program user's fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

(f) The fees prescribed by this section are costs for purposes of IC 34-28-5-5 and may be collected from a defendant against whom judgment is entered. Any penalty assessed is in addition to costs.

SECTION 51. IC 33-37-4-3, AS AMENDED BY P.L.176-2005, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3. (a) The clerk shall collect a juvenile costs fee of one hundred twenty dollars (\$120) for each action filed under any of the following:

(1) IC 31-34 (children in need of services).

(2) IC 31-37 (delinquent children).

(3) IC 31-14 (paternity).

A fee under this subsection may be increased under IC 36-1-8-16.

(b) In addition to the juvenile costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

(1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

(2) A marijuana eradication program fee (IC 33-37-5-7).

(3) An alcohol and drug services program user fee (IC 33-37-5-8(b)).

(4) A law enforcement continuing education program fee (IC 33-37-5-8(c)).

(5) An alcohol and drug countermeasures fee (IC 33-37-5-10).

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- (6) A document storage fee (IC 33-37-5-20).
- (7) An automated record keeping fee (IC 33-37-5-21).
- (8) A late payment fee (IC 33-37-5-22).
- (9) A public defense administration fee (IC 33-37-5-21.2).
- (10) A judicial insurance adjustment fee (IC 33-37-5-25).
- (11) A judicial salaries fee (IC 33-37-5-26).
- (12) A court administration fee (IC 33-37-5-27).
- (13) A DNA sample processing fee (IC 33-37-5-26.2).

(c) The clerk shall transfer to the county auditor or city or town fiscal officer the following fees not later than thirty (30) days after they are collected:

- (1) The marijuana eradication program fee (IC 33-37-5-7).
- (2) The alcohol and drug services program user fee (IC 33-37-5-8(b)).
- (3) The law enforcement continuing education program fee (IC 33-37-5-8(c)).

The auditor or fiscal officer shall deposit the fees in the appropriate user fee fund established under IC 33-37-8.

SECTION 52. IC 33-37-4-4, AS AMENDED BY P.L.176-2005, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. (a) The clerk shall collect a civil costs fee of one hundred dollars (\$100) from a party filing a civil action. This subsection does not apply to the following civil actions:

- (1) Proceedings to enforce a statute defining an infraction under IC 34-28-5 (or IC 34-4-32 before its repeal).
- (2) Proceedings to enforce an ordinance under IC 34-28-5 (or IC 34-4-32 before its repeal).
- (3) Proceedings in juvenile court under IC 31-34 or IC 31-37.
- (4) Proceedings in paternity under IC 31-14.
- (5) Proceedings in small claims court under IC 33-34.
- (6) Proceedings in actions described in section 7 of this chapter.

A fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

(b) In addition to the civil costs fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

- (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).

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- (2) A support and maintenance fee (IC 33-37-5-6).
- (3) A document storage fee (IC 33-37-5-20).
- (4) An automated record keeping fee (IC 33-37-5-21).
- (5) A public defense administration fee (IC 33-37-5-21.2).
- (6) A judicial insurance adjustment fee (IC 33-37-5-25).
- (7) A judicial salaries fee (IC 33-37-5-26).
- (8) A court administration fee (IC 33-37-5-27).
- (9) A service fee (IC 33-37-5-28).

SECTION 53. IC 33-37-4-6, AS AMENDED BY P.L.176-2005, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) For each small claims action, the clerk shall collect the following fees:

- (1) From the party filing the action:
 - (A) a small claims costs fee of thirty-five dollars (\$35); and
 - (B) a small claims service fee of ten dollars (\$10) for each named defendant.
- (2) From any party adding a defendant, a small claims service fee of ten dollars (\$10) for each defendant added in the action.

A small claims costs fee or small claims service fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the small claims costs fee or small claims service fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7. However, a clerk may not collect a small claims costs fee or small claims service fee for a small claims action filed by or on behalf of the attorney general.

(b) In addition to a small claims costs fee and small claims service fee collected under this section, the clerk shall collect the following fees, if they are required under IC 33-37-5:

- (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
- (2) A document storage fee (IC 33-37-5-20).
- (3) An automated record keeping fee (IC 33-37-5-21).
- (4) A public defense administration fee (IC 33-37-5-21.2).
- (5) A judicial insurance adjustment fee (IC 33-37-5-25).
- (6) A judicial salaries fee (IC 33-37-5-26).
- (7) A court administration fee (IC 33-37-5-27).

SECTION 54. IC 33-37-4-7, AS AMENDED BY P.L.176-2005, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 7. (a) Except as provided under subsection (c), the

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clerk shall collect from the party filing the action a probate costs fee of one hundred twenty dollars (\$120) for each action filed under any of the following:

- (1) IC 6-4.1-5 (determination of inheritance tax).
- (2) IC 29 (probate).
- (3) IC 30 (trusts and fiduciaries).

A probate costs fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the probate costs fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

(b) In addition to the probate costs fee collected under subsection (a), the clerk shall collect from the party filing the action the following fees, if they are required under IC 33-37-5:

- (1) A document fee (IC 33-37-5-1, IC 33-37-5-3, or IC 33-37-5-4).
- (2) A document storage fee (IC 33-37-5-20).
- (3) An automated record keeping fee (IC 33-37-5-21).
- (4) A public defense administration fee (IC 33-37-5-21.2).
- (5) A judicial insurance adjustment fee (IC 33-37-5-25).
- (6) A judicial salaries fee (IC 33-37-5-26).
- (7) A court administration fee (IC 33-37-5-27).

(c) A clerk may not collect a court costs fee for the filing of the following exempted actions:

- (1) Petition to open a safety deposit box.
- (2) Filing an inheritance tax return, unless proceedings other than the court's approval of the return become necessary.
- (3) Offering a will for probate under IC 29-1-7, unless proceedings other than admitting the will to probate become necessary.

SECTION 55. IC 33-37-5-4 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 4. The clerk shall collect a document fee of three dollars (\$3) for preparing or recording a transcript of a judgment to become a lien on real estate. A document fee under this section may be increased under IC 36-1-8-16.

SECTION 56. IC 33-37-5-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 6. (a) This section applies to an action in which a final court order requires a person to pay support or maintenance payments through the clerk.

(b) The clerk shall collect a fee in addition to support and

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1 maintenance payments. The fee is the following:

2 (1) Twenty dollars (\$20) for the calendar year in which the initial
3 order is entered, unless the first payment is due after June 30 of
4 that calendar year.

5 (2) Ten dollars (\$10) for the calendar year in which the initial
6 order was entered, if the first payment is due after June 30 of that
7 calendar year.

8 (3) In each subsequent year in which the initial order or a
9 modified order is in effect, twenty dollars (\$20) if the fee is paid
10 before February 1, or thirty dollars (\$30) if paid after January 31.

11 **A fee under this subsection may be increased under IC 36-1-8-16.**

12 (c) The fee required under subsection (b) is due at the time that the
13 first support or maintenance payment for the calendar year in which the
14 fee must be paid is due.

15 (d) The clerk may not deduct the fee from a support or maintenance
16 payment.

17 (e) Except as provided under IC 33-32-4-6, IC 33-37-7-1(g), and
18 IC 33-37-7-2(g), the clerk shall forward the fee collected under this
19 section to the county auditor in accordance with IC 33-37-7-12(a).

20 SECTION 57. IC 33-37-5-8 IS AMENDED TO READ AS
21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) This section
22 applies to criminal, infraction, and ordinance violation actions.
23 However, it does not apply to a case excluded under IC 33-37-4-2(d).

24 (b) The clerk shall collect the alcohol and drug services program fee
25 set by the court under IC 12-23-14-16 in a county that has established
26 an alcohol and drug services program.

27 (c) In each action in which a defendant is found to have:

28 (1) committed a crime;

29 (2) violated a statute defining an infraction; or

30 (3) violated an ordinance of a municipal corporation;

31 the clerk shall collect a law enforcement continuing education program
32 fee of three dollars (\$3). **A law enforcement continuing education
33 program fee under this subsection may be increased under
34 IC 36-1-8-16.**

35 SECTION 58. IC 33-37-5-10 IS AMENDED TO READ AS
36 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The clerk shall
37 collect an alcohol and drug countermeasures fee of two hundred dollars
38 (\$200) in each action in which:

39 (1) a person is found to have:

40 (A) committed an offense under IC 9-30-5;

41 (B) violated a statute defining an infraction under IC 9-30-5;

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(C) been adjudicated a delinquent for an act that would be an offense under IC 9-30-5, if committed by an adult; and

(2) the person's driving privileges are suspended by the court or the bureau of motor vehicles as a result of the finding.

An alcohol and drug countermeasures fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the alcohol and drug countermeasures fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

(b) The clerk shall collect an alcohol and drug countermeasures fee of two hundred dollars (\$200) in each action in which:

(1) a person is charged with an offense under IC 9-30-5; and

(2) by a plea agreement or an agreement of the parties that is approved by the court:

(A) judgment is entered for an offense under:

(i) IC 9-21-8-50;

(ii) IC 9-21-8-52;

(iii) IC 7.1-5-1-3; or

(iv) IC 7.1-5-1-6; and

(B) the defendant agrees to pay the alcohol and drug countermeasures fee.

An alcohol and drug countermeasures fee under this subsection may be increased under IC 36-1-8-16. Notwithstanding any other law, the part of the alcohol and drug countermeasures fee that results from an increase under IC 36-1-8-16 is in addition to any county shares or city or town shares retained under IC 33-37-7 and shall be collected and distributed in the same manner as county shares or city or town shares are collected and distributed under IC 33-37-7.

SECTION 59. IC 33-37-5-12 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. The court shall order a person to pay a child abuse prevention fee of one hundred dollars (\$100) to the clerk in each criminal action in which:

(1) the person is found to have committed the offense of:

(A) murder (IC 35-42-1-1);

(B) causing suicide (IC 35-42-1-2);

(C) voluntary manslaughter (IC 35-42-1-3);

(D) reckless homicide (IC 35-42-1-5);

(E) battery (IC 35-42-2-1);

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- 1 (F) rape (IC 35-42-4-1);
- 2 (G) criminal deviate conduct (IC 35-42-4-2);
- 3 (H) child molesting (IC 35-42-4-3);
- 4 (I) child exploitation (IC 35-42-4-4);
- 5 (J) vicarious sexual gratification (IC 35-42-4-5);
- 6 (K) child solicitation (IC 35-42-4-6);
- 7 (L) incest (IC 35-46-1-3);
- 8 (M) neglect of a dependent (IC 35-46-1-4);
- 9 (N) child selling (IC 35-46-1-4); or
- 10 (O) child seduction (IC 35-42-4-7); and
- 11 (2) the victim of the offense is less than eighteen (18) years of
- 12 age.

13 **A child abuse prevention fee under this section may be increased**
 14 **under IC 36-1-8-16. Notwithstanding any other law, the part of the**
 15 **child abuse prevention fee that results from an increase under**
 16 **IC 36-1-8-16 is in addition to any county shares or city or town**
 17 **shares retained under IC 33-37-7 and shall be collected and**
 18 **distributed in the same manner as county shares or city or town**
 19 **shares are collected and distributed under IC 33-37-7.**

20 SECTION 60. IC 33-37-5-13 IS AMENDED TO READ AS
 21 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 13. The court shall
 22 order a person to pay a domestic violence prevention and treatment fee
 23 of fifty dollars (\$50) to the clerk in each criminal action in which:

24 (1) the person is found to have committed the offense of:

- 25 (A) murder (IC 35-42-1-1);
- 26 (B) causing suicide (IC 35-42-1-2);
- 27 (C) voluntary manslaughter (IC 35-42-1-3);
- 28 (D) reckless homicide (IC 35-42-1-5);
- 29 (E) battery (IC 35-42-2-1);
- 30 (F) domestic battery (IC 35-42-2-1.3); or
- 31 (G) rape (IC 35-42-4-1); and

32 (2) the victim:

- 33 (A) is a spouse or former spouse of the person who committed
- 34 an offense under subdivision (1);
- 35 (B) is or was living as if a spouse of the person who committed
- 36 the offense of domestic battery under subdivision (1)(F); or
- 37 (C) has a child in common with the person who committed the
- 38 offense of domestic battery under subdivision (1)(F).

39 **A domestic violence prevention and treatment fee under this**
 40 **section may be increased under IC 36-1-8-16. Notwithstanding any**
 41 **other law, the part of the domestic violence prevention and**
 42 **treatment fee that results from an increase under IC 36-1-8-16 is**

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1 **in addition to any county shares or city or town shares retained**
 2 **under IC 33-37-7 and shall be collected and distributed in the same**
 3 **manner as county shares or city or town shares are collected and**
 4 **distributed under IC 33-37-7.**

5 SECTION 61. IC 33-37-5-15 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) The sheriff shall
 7 collect from the person who filed the civil action a service of process
 8 fee of forty dollars (\$40), in addition to any other fee for service of
 9 process, if:

10 (1) a person files a civil action outside Indiana; and

11 (2) a sheriff in Indiana is requested to perform a service of
 12 process associated with the civil action in Indiana.

13 **A service of process fee under this subsection may be increased**
 14 **under IC 36-1-8-16.**

15 (b) A sheriff shall transfer fees collected under this section to the
 16 county auditor of the county in which the sheriff has jurisdiction.

17 (c) The county auditor shall deposit fees collected under this
 18 section:

19 (1) in the pension trust established by the county under
 20 IC 36-8-10-12; or

21 (2) if the county has not established a pension trust under
 22 IC 36-8-10-12, in the county general fund.

23 SECTION 62. IC 33-37-5-17, AS AMENDED BY P.L.176-2005,
 24 SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 25 JULY 1, 2006]: Sec. 17. (a) This section applies to actions in which the
 26 court defers prosecution under IC 33-39-1-8.

27 (b) In each action in which prosecution is deferred, the clerk shall
 28 collect from the defendant a deferred prosecution fee of one hundred
 29 twenty dollars (\$120) for court costs. **A deferred prosecution fee**
 30 **under this subsection may be increased under IC 36-1-8-16.**
 31 **Notwithstanding any other law, the part of the deferred**
 32 **prosecution fee that results from an increase under IC 36-1-8-16 is**
 33 **in addition to any county shares or city or town shares retained**
 34 **under IC 33-37-7 and shall be collected and distributed in the same**
 35 **manner as county shares or city or town shares are collected and**
 36 **distributed under IC 33-37-7.**

37 SECTION 63. IC 33-37-5-19 IS AMENDED TO READ AS
 38 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 19. (a) The clerk shall
 39 collect a jury fee of two dollars (\$2) in each action in which a
 40 defendant is found to have committed a crime, violated a statute
 41 defining an infraction, or violated an ordinance of a municipal
 42 corporation. **A jury fee under this subsection may be increased**

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1 **under IC 36-1-8-16.**

2 (b) The fee collected under this section shall be deposited into the
3 county user fee fund established by IC 33-37-8-5.

4 SECTION 64. IC 33-37-5-20 IS AMENDED TO READ AS
5 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 20. (a) This section
6 applies to all civil, criminal, infraction, and ordinance violation actions.

7 (b) The clerk shall collect a document storage fee of two dollars
8 (\$2). **A document storage fee under this subsection may be**
9 **increased under IC 36-1-8-16.**

10 SECTION 65. IC 33-37-5-22 IS AMENDED TO READ AS
11 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22. (a) Except as
12 provided in subsection (e), this section applies to an action if all the
13 following apply:

14 (1) The defendant is found, in a court that has a local court rule
15 imposing a late payment fee under this section, to have:

16 (A) committed a crime;

17 (B) violated a statute defining an infraction;

18 (C) violated an ordinance of a municipal corporation; or

19 (D) committed a delinquent act.

20 (2) The defendant is required to pay:

21 (A) court costs, including fees;

22 (B) a fine; or

23 (C) a civil penalty.

24 (3) The defendant is not determined by the court imposing the
25 court costs, fine, or civil penalty to be indigent.

26 (4) The defendant fails to pay to the clerk the costs, fine, or civil
27 penalty in full before the later of the following:

28 (A) The end of the business day on which the court enters the
29 conviction or judgment.

30 (B) The end of the period specified in a payment schedule set
31 for the payment of court costs, fines, and civil penalties under
32 rules adopted for the operation of the court.

33 (b) A court may adopt a local rule to impose a late payment fee
34 under this section on defendants described in subsection (a).

35 (c) Subject to subsection (d), the clerk of a court that adopts a local
36 rule imposing a late payment fee under this section shall collect a late
37 payment fee of twenty-five dollars (\$25) from a defendant described in
38 subsection (a). **A late payment fee under this subsection may be**
39 **increased under IC 36-1-8-16.**

40 (d) Notwithstanding IC 33-37-2-2, a court may suspend a late
41 payment fee if the court finds that the defendant has demonstrated good
42 cause for failure to make a timely payment of court costs, a fine, or a

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1 civil penalty.

2 (e) A plaintiff or defendant in an action under IC 33-34 shall pay a
3 late fee of twenty-five dollars (\$25) if the plaintiff or defendant:

4 (1) is required to pay court fees or costs under IC 33-34-8-1;

5 (2) is not determined by the court imposing the court costs to be
6 indigent; and

7 (3) fails to pay the costs in full before the later of the following:

8 (A) The end of the business day on which the court enters the
9 judgment.

10 (B) The end of the period specified in a payment schedule set
11 for the payment of court costs under rules adopted for the
12 operation of the court.

13 **A late fee under this subsection may be increased under**
14 **IC 36-1-8-16.** A court may suspend a late payment fee if the court finds
15 that the plaintiff or defendant has demonstrated good cause for failure
16 to make timely payment of the fee.

17 SECTION 66. IC 33-37-5-28, AS ADDED BY P.L.176-2005,
18 SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
19 JULY 1, 2006]: Sec. 28. (a) Except as provided in subsection (c), this
20 section applies to a civil action in which the clerk is required to collect
21 a civil costs fee under IC 33-37-4-4(a).

22 (b) The clerk shall collect the following:

23 (1) From the party filing the civil action, a service fee of ten
24 dollars (\$10) for each additional defendant named other than the
25 first named defendant.

26 (2) From any party adding a defendant, a service fee of ten dollars
27 (\$10) for each defendant added in the civil action.

28 **A service fee under this subsection may be increased under**
29 **IC 36-1-8-16.**

30 (c) This section does not apply to an action in which service is made
31 by publication in accordance with Indiana Trial Rule 4.13.

32 SECTION 67. IC 34-28-5-1, AS AMENDED BY P.L.200-2005,
33 SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
34 JULY 1, 2006]: Sec. 1. (a) An action to enforce a statute defining an
35 infraction shall be brought in the name of the state of Indiana by the
36 prosecuting attorney for the judicial circuit in which the infraction
37 allegedly took place. However, if the infraction allegedly took place on
38 a public highway (as defined in IC 9-25-2-4) that runs on and along a
39 common boundary shared by two (2) or more judicial circuits, a
40 prosecuting attorney for any judicial circuit sharing the common
41 boundary may bring the action.

42 (b) An action to enforce an ordinance shall be brought in the name

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of the municipal corporation. The municipal corporation need not prove that it or the ordinance is valid unless validity is controverted by affidavit.

(c) Actions under this chapter (or IC 34-4-32 before its repeal):

(1) shall be conducted in accordance with the Indiana Rules of Trial Procedure; and

(2) must be brought within two (2) years after the alleged conduct or violation occurred.

(d) The plaintiff in an action under this chapter must prove the commission of an infraction or ordinance violation by a preponderance of the evidence.

(e) The complaint and summons described in IC 9-30-3-6 may be used for any infraction or ordinance violation.

(f) This subsection does not apply to an offense or violation under IC 9-24-6 involving the operation of a commercial motor vehicle. The prosecuting attorney or the attorney for a municipal corporation may establish a deferral program for deferring actions brought under this section. Actions may be deferred under this section if:

(1) the defendant in the action agrees to conditions of a deferral program offered by the prosecuting attorney or the attorney for a municipal corporation;

(2) the defendant in the action agrees to pay to the clerk of the court an initial user's fee and monthly user's fee set by the prosecuting attorney or the attorney for the municipal corporation in accordance with IC 33-37-4-2(e);

(3) the terms of the agreement are recorded in an instrument signed by the defendant and the prosecuting attorney or the attorney for the municipal corporation;

(4) the defendant in the action agrees to pay a fee of seventy dollars (\$70) to the clerk of court if the action involves a moving traffic offense (as defined in IC 9-13-2-110);

(5) the agreement is filed in the court in which the action is brought; and

(6) if the deferral program is offered by the prosecuting attorney, the prosecuting attorney electronically transmits information required by the prosecuting attorneys council concerning the withheld prosecution to the prosecuting attorneys council, in a manner and format designated by the prosecuting attorneys council.

A fee under subdivision (4) may be increased under IC 36-1-8-16. When a defendant complies with the terms of an agreement filed under this subsection (or IC 34-4-32-1(f) before its repeal), the prosecuting

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attorney or the attorney for the municipal corporation shall request the court to dismiss the action. Upon receipt of a request to dismiss an action under this subsection, the court shall dismiss the action. An action dismissed under this subsection (or IC 34-4-32-1(f) before its repeal) may not be refiled.

(g) If a judgment is entered against a defendant in an action to enforce an ordinance, the defendant may perform community restitution or service (as defined in IC 35-41-1-4.6) instead of paying a monetary judgment for the ordinance violation as described in section 4(e) of this chapter if:

(1) the:

(A) defendant; and

(B) attorney for the municipal corporation;

agree to the defendant's performance of community restitution or service instead of the payment of a monetary judgment;

(2) the terms of the agreement described in subdivision (1):

(A) include the amount of the judgment the municipal corporation requests that the defendant pay under section 4(e) of this chapter for the ordinance violation if the defendant fails to perform the community restitution or service provided for in the agreement as approved by the court; and

(B) are recorded in a written instrument signed by the defendant and the attorney for the municipal corporation;

(3) the agreement is filed in the court where the judgment was entered; and

(4) the court approves the agreement.

If a defendant fails to comply with an agreement approved by a court under this subsection, the court shall require the defendant to pay up to the amount of the judgment requested in the action under section 4(e) of this chapter as if the defendant had not entered into an agreement under this subsection.

SECTION 68. IC 35-33-8-3.2, AS AMENDED BY P.L.10-2005, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 3.2. (a) A court may admit a defendant to bail and impose any of the following conditions to assure the defendant's appearance at any stage of the legal proceedings, or, upon a showing of clear and convincing evidence that the defendant poses a risk of physical danger to another person or the community, to assure the public's physical safety:

(1) Require the defendant to:

(A) execute a bail bond with sufficient solvent sureties;

(B) deposit cash or securities in an amount equal to the bail;

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- (C) execute a bond secured by real estate in the county, where thirty-three hundredths (0.33) of the true tax value less encumbrances is at least equal to the amount of the bail; or
 (D) post a real estate bond.

The defendant must also pay the fee required by subsection (d).

(2) Require the defendant to execute a bail bond by depositing cash or securities with the clerk of the court in an amount not less than ten percent (10%) of the bail. If the defendant is convicted, the court may retain all or a part of the cash or securities to pay fines, costs, fees, and restitution, if ordered by the court. A portion of the deposit, not to exceed ten percent (10%) of the monetary value of the deposit or fifty dollars (\$50), whichever is the lesser amount, may be retained as an administrative fee. **The maximum amount that may be retained as an administrative fee under this subdivision may be increased under IC 36-1-8-16.** The clerk shall also retain from the deposit under this subdivision the following:

- (A) Fines, costs, fees, and restitution as ordered by the court.
 (B) Publicly paid costs of representation that shall be disposed of in accordance with subsection (b).
 (C) In the event of the posting of a real estate bond, the bond shall be used only to insure the presence of the defendant at any stage of the legal proceedings, but shall not be foreclosed for the payment of fines, costs, fees, or restitution.
 (D) The fee required by subsection (d).

The individual posting bail for the defendant or the defendant admitted to bail under this subdivision must be notified by the sheriff, court, or clerk that the defendant's deposit may be forfeited under section 7 of this chapter or retained under subsection (b).

- (3) Impose reasonable restrictions on the activities, movements, associations, and residence of the defendant during the period of release.
 (4) Require the defendant to refrain from any direct or indirect contact with an individual.
 (5) Place the defendant under the reasonable supervision of a probation officer or other appropriate public official.
 (6) Release the defendant into the care of a qualified person or organization responsible for supervising the defendant and assisting the defendant in appearing in court. The supervisor shall maintain reasonable contact with the defendant in order to assist the defendant in making arrangements to appear in court and,

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where appropriate, shall accompany the defendant to court. The supervisor need not be financially responsible for the defendant.

(7) Release the defendant on personal recognizance unless:

(A) the state presents evidence relevant to a risk by the defendant:

(i) of nonappearance; or

(ii) to the physical safety of the public; and

(B) the court finds by a preponderance of the evidence that the risk exists.

(8) Impose any other reasonable restrictions designed to assure the defendant's presence in court or the physical safety of another person or the community.

(b) Within thirty (30) days after disposition of the charges against the defendant, the court that admitted the defendant to bail shall order the clerk to remit the amount of the deposit remaining under subsection (a)(2) to the defendant. The portion of the deposit that is not remitted to the defendant shall be deposited by the clerk in the supplemental public defender services fund established under IC 33-40-3.

(c) For purposes of subsection (b), "disposition" occurs when the indictment or information is dismissed, or the defendant is acquitted or convicted of the charges.

(d) Except as provided in subsection (e), the clerk of the court shall:

(1) collect a fee of five dollars (\$5) from each bond or deposit required under subsection (a)(1); and

(2) retain a fee of five dollars (\$5) from each deposit under subsection (a)(2).

The clerk of the court shall semiannually remit the fees collected under this subsection to the board of trustees of the public employees' retirement fund for deposit in ~~the~~ the special death benefit fund. The fee required by subdivision (2) is in addition to the administrative fee retained under subsection (a)(2).

(e) With the approval of the clerk of the court, the county sheriff may collect the bail posted under this section. The county sheriff shall remit the bail to the clerk of the court by the following business day and remit monthly the five dollar (\$5) special death benefit fee to the county auditor.

(f) When a court imposes a condition of bail described in subsection (a)(4):

(1) the clerk of the court shall comply with IC 5-2-9; and

(2) the prosecuting attorney shall file a confidential form prescribed or approved by the division of state court administration with the clerk.

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SECTION 69. IC 35-38-2-1 IS AMENDED TO READ AS
FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 1. (a) Whenever it
places a person on probation, the court shall:

- (1) specify in the record the conditions of the probation; and
- (2) advise the person that if the person violates a condition of probation during the probationary period, a petition to revoke probation may be filed before the earlier of the following:

- (A) One (1) year after the termination of probation.

- (B) Forty-five (45) days after the state receives notice of the violation.

(b) In addition, if the person was convicted of a felony and is placed on probation, the court shall order the person to pay to the probation department the user's fee prescribed under subsection (c). If the person was convicted of a misdemeanor, the court may order the person to pay the user's fee prescribed under subsection (d). The court may:

- (1) modify the conditions (except a fee payment may only be modified as provided in section 1.7(b) of this chapter); or
- (2) terminate the probation;

at any time. If the person commits an additional crime, the court may revoke the probation.

(c) If a clerk of a court collects a probation user's fee, the clerk:

- (1) may keep not more than three percent (3%) of the fee to defray the administrative costs of collecting the fee and shall deposit any fee kept under this subsection in the clerk's record perpetuation fund established under IC 33-37-5-2; and

- (2) if requested to do so by the county auditor, city fiscal officer, or town fiscal officer under clause (A), (B), or (C), transfer not more than three percent (3%) of the fee to the:

- (A) county auditor, who shall deposit the money transferred under this subdivision into the county general fund;

- (B) city general fund when requested by the city fiscal officer;
- or

- (C) town general fund when requested by the town fiscal officer.

(d) In addition to any other conditions of probation, the court shall order each person convicted of a felony to pay:

- (1) not less than twenty-five dollars (\$25) nor more than one hundred dollars (\$100) as an initial probation user's fee;

- (2) a monthly probation user's fee of not less than fifteen dollars (\$15) nor more than thirty dollars (\$30) for each month that the person remains on probation;

- (3) the costs of the laboratory test or series of tests to detect and

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confirm the presence of the human immunodeficiency virus (HIV) antigen or antibodies to the human immunodeficiency virus (HIV) if such tests are required by the court under section 2.3 of this chapter;

(4) an alcohol abuse deterrent fee and a medical fee set by the court under IC 9-30-9-8, if the court has referred the defendant to an alcohol abuse deterrent program; and

(5) an administrative fee of one hundred dollars (\$100);
to either the probation department or the clerk.

(e) In addition to any other conditions of probation, the court may order each person convicted of a misdemeanor to pay:

(1) not more than a fifty dollar (\$50) initial probation user's fee;
(2) a monthly probation user's fee of not less than ten dollars (\$10) nor more than twenty dollars (\$20) for each month that the person remains on probation;

(3) the costs of the laboratory test or series of tests to detect and confirm the presence of the human immunodeficiency virus (HIV) antigen or antibodies to the human immunodeficiency virus (HIV) if such tests are required by the court under section 2.3 of this chapter; and

(4) an administrative fee of fifty dollars (\$50);
to either the probation department or the clerk. **A user fee or an administrative fee under this subsection may be increased under IC 36-1-8-16.**

(f) The probation department or clerk shall collect the administrative fees under subsections (d)(5) and (e)(4) before collecting any other fee under subsection (d) or (e). All money collected by the probation department or the clerk under this section shall be transferred to the county treasurer who shall deposit the money into the county supplemental adult probation services fund. The fiscal body of the county shall appropriate money from the county supplemental adult probation services fund:

(1) to the county, superior, circuit, or municipal court of the county that provides probation services to adults to supplement adult probation services; and

(2) to supplement the salaries of probation officers in accordance with the schedule adopted by the county fiscal body under IC 36-2-16.5.

(g) The probation department or clerk shall collect the administrative fee under subsection (e)(4) before collecting any other fee under subsection (e). All money collected by the probation department or the clerk of a city or town court under this section shall

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be transferred to the fiscal officer of the city or town for deposit into the local supplemental adult probation services fund. The fiscal body of the city or town shall appropriate money from the local supplemental adult probation services fund to the city or town court of the city or town for the court's use in providing probation services to adults or for the court's use for other purposes as may be appropriated by the fiscal body. Money may be appropriated under this subsection only to those city or town courts that have an adult probation services program. If a city or town court does not have such a program, the money collected by the probation department must be transferred and appropriated as provided under subsection (f).

(h) Except as provided in subsection (j), the county or local supplemental adult probation services fund may be used only to supplement probation services and to supplement salaries for probation officers. A supplemental probation services fund may not be used to replace other funding of probation services. Any money remaining in the fund at the end of the year does not revert to any other fund but continues in the county or local supplemental adult probation services fund.

(i) A person placed on probation for more than one (1) crime:

(1) may be required to pay more than one (1) initial probation user's fee; and

(2) may not be required to pay more than one (1) monthly probation user's fee per month;

to the probation department or the clerk.

(j) This subsection applies to a city or town located in a county having a population of more than one hundred eighty-two thousand seven hundred ninety (182,790) but less than two hundred thousand (200,000). Any money remaining in the local supplemental adult probation services fund at the end of the local fiscal year may be appropriated by the city or town fiscal body to the city or town court for use by the court for purposes determined by the fiscal body.

(k) In addition to other methods of payment allowed by law, a probation department may accept payment of fees required under this section and section 1.5 of this chapter by credit card (as defined in IC 14-11-1-7). The liability for payment is not discharged until the probation department receives payment or credit from the institution responsible for making the payment or credit.

(l) The probation department may contract with a bank or credit card vendor for acceptance of bank or credit cards. However, if there is a vendor transaction charge or discount fee, whether billed to the probation department or charged directly to the probation department's

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1 account, the probation department may collect a credit card service fee
 2 from the person using the bank or credit card. The fee collected under
 3 this subsection is a permitted additional charge to the money the
 4 probation department is required to collect under subsection (d) or (e).

5 (m) The probation department shall forward the credit card service
 6 fees collected under subsection (l) to the county treasurer or city or
 7 town fiscal officer in accordance with subsection (f) or (g). These funds
 8 may be used without appropriation to pay the transaction charge or
 9 discount fee charged by the bank or credit card vendor.

10 SECTION 70. IC 35-47-2-3, AS AMENDED BY P.L.187-2005,
 11 SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 12 JULY 1, 2006]: Sec. 3. (a) A person desiring a license to carry a
 13 handgun shall apply:

14 (1) to the chief of police or corresponding law enforcement officer
 15 of the municipality in which the applicant resides;

16 (2) if that municipality has no such officer, or if the applicant does
 17 not reside in a municipality, to the sheriff of the county in which
 18 the applicant resides after the applicant has obtained an
 19 application form prescribed by the superintendent; or

20 (3) if the applicant is a resident of another state and has a regular
 21 place of business or employment in Indiana, to the sheriff of the
 22 county in which the applicant has a regular place of business or
 23 employment.

24 (b) The law enforcement agency which accepts an application for a
 25 handgun license shall collect a ten dollar (\$10) application fee, five
 26 dollars (\$5) of which shall be refunded if the license is not issued. **An**
 27 **application fee under this subsection may be increased under**
 28 **IC 36-1-8-16.** Except as provided in subsection (h), the fee shall be:

29 (1) deposited into the law enforcement agency's firearms training
 30 fund or other appropriate training activities fund; and

31 (2) used by the agency for the purpose of:

32 (A) training law enforcement officers in the proper use of
 33 firearms or other law enforcement duties; or

34 (B) purchasing for the law enforcement officers employed by
 35 the law enforcement agency firearms, or firearm related
 36 equipment, or both.

37 The state board of accounts shall establish rules for the proper
 38 accounting and expenditure of funds collected under this subsection.

39 (c) The officer to whom the application is made shall ascertain the
 40 applicant's name, full address, length of residence in the community,
 41 whether the applicant's residence is located within the limits of any city
 42 or town, the applicant's occupation, place of business or employment,

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1 criminal record, if any, and convictions (minor traffic offenses
 2 excepted), age, race, sex, nationality, date of birth, citizenship, height,
 3 weight, build, color of hair, color of eyes, scars and marks, whether the
 4 applicant has previously held an Indiana license to carry a handgun
 5 and, if so, the serial number of the license and year issued, whether the
 6 applicant's license has ever been suspended or revoked, and if so, the
 7 year and reason for the suspension or revocation, and the applicant's
 8 reason for desiring a license. The officer to whom the application is
 9 made shall conduct an investigation into the applicant's official records
 10 and verify thereby the applicant's character and reputation, and shall in
 11 addition verify for accuracy the information contained in the
 12 application, and shall forward this information together with the
 13 officer's recommendation for approval or disapproval and one (1) set
 14 of legible and classifiable fingerprints of the applicant to the
 15 superintendent.

16 (d) The superintendent may make whatever further investigation the
 17 superintendent deems necessary. Whenever disapproval is
 18 recommended, the officer to whom the application is made shall
 19 provide the superintendent and the applicant with the officer's complete
 20 and specific reasons, in writing, for the recommendation of
 21 disapproval.

22 (e) If it appears to the superintendent that the applicant:

- 23 (1) has a proper reason for carrying a handgun;
- 24 (2) is of good character and reputation;
- 25 (3) is a proper person to be licensed; and
- 26 (4) is:

27 (A) a citizen of the United States; or

28 (B) not a citizen of the United States but is allowed to carry a
 29 firearm in the United States under federal law;

30 the superintendent shall issue to the applicant a qualified or an
 31 unlimited license to carry any handgun lawfully possessed by the
 32 applicant. The original license shall be delivered to the licensee. A
 33 copy shall be delivered to the officer to whom the application for
 34 license was made. A copy shall be retained by the superintendent for
 35 at least four (4) years. This license shall be valid for a period of four (4)
 36 years from the date of issue. The license of police officers, sheriffs or
 37 their deputies, and law enforcement officers of the United States
 38 government who have been honorably retired by a lawfully created
 39 pension board or its equivalent after twenty (20) or more years of
 40 service, shall be valid for the life of such individuals. However, such
 41 lifetime licenses are automatically revoked if the license holder does
 42 not remain a proper person.

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(f) At the time a license is issued and delivered to a licensee under subsection (e), the superintendent shall include with the license information concerning handgun safety rules that:

(1) neither opposes nor supports an individual's right to bear arms; and

(2) is:

(A) recommended by a nonprofit educational organization that is dedicated to providing education on safe handling and use of firearms;

(B) prepared by the state police department; and

(C) approved by the superintendent.

The superintendent may not deny a license under this section because the information required under this subsection is unavailable at the time the superintendent would otherwise issue a license. The state police department may accept private donations or grants to defray the cost of printing and mailing the information required under this subsection.

(g) A license to carry a handgun shall not be issued to any person who:

(1) has been convicted of a felony;

(2) has had a license to carry a handgun suspended, unless the person's license has been reinstated;

(3) is under eighteen (18) years of age;

(4) is under twenty-three (23) years of age if the person has been adjudicated a delinquent child for an act that would be a felony if committed by an adult; or

(5) has been arrested for a Class A or Class B felony, or any other felony that was committed while armed with a deadly weapon or that involved the use of violence, if a court has found probable cause to believe that the person committed the offense charged.

In the case of an arrest under subdivision (5), a license to carry a handgun may be issued to a person who has been acquitted of the specific offense charged or if the charges for the specific offense are dismissed. The superintendent shall prescribe all forms to be used in connection with the administration of this chapter.

(h) If the law enforcement agency that charges a fee under subsection (b) is a city or town law enforcement agency, the fee shall be deposited in the law enforcement continuing education fund established under IC 5-2-8-2.

(i) If a person who holds a valid license to carry a handgun issued under this chapter:

(1) changes the person's name; or

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(2) changes the person's address;
 the person shall, not later than sixty (60) days after the date of the
 change, notify the superintendent, in writing, of the person's new name
 or new address.

(j) The state police shall indicate on the form for a license to carry
 a handgun the notification requirements of subsection (i).

SECTION 71. IC 36-1-8-16 IS ADDED TO THE INDIANA CODE
 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY
 1, 2006]: **Sec. 16. (a) Subject to subsection (b), the fiscal body of a
 county, city, or town may adopt an ordinance to increase the
 amount of a fee or charge imposed by the county, city, or town
 under any of the following statutes above the statutory maximum
 that would otherwise apply to the fee or charge under the
 appropriate statute:**

(1) IC 6-1.1-5.5-4.

(2) IC 8-1.5-5-30.

(3) IC 22-4-29-8.

(4) IC 29-1-7-3.1.

(5) IC 32-28-3-3.

(6) IC 32-29-7-3.

(7) IC 32-34-8-6.

(8) IC 32-34-8-14.

(9) IC 33-23-6-1.

(10) IC 33-32-5-1.

(11) IC 33-32-5-2.

(12) IC 33-34-8-1.

(13) IC 33-35-3-3.

(14) IC 33-37-4-1.

(15) IC 33-37-4-2.

(16) IC 33-37-4-3.

(17) IC 33-37-4-4.

(18) IC 33-37-4-6.

(19) IC 33-37-4-7.

(20) IC 33-37-5-4.

(21) IC 33-37-5-6.

(22) IC 33-37-5-8.

(23) IC 33-37-5-10.

(24) IC 33-37-5-12.

(25) IC 33-37-5-13.

(26) IC 33-37-5-15.

(27) IC 33-37-5-17.

(28) IC 33-37-5-19.

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(29) IC 33-37-5-20.

(30) IC 33-37-5-22.

(31) IC 33-37-5-28.

(32) IC 34-28-5-1.

(33) IC 35-33-8-3.2.

(34) IC 35-38-2-1.

(35) IC 35-47-2-3.

(36) IC 36-2-7-10.

(37) IC 36-2-9-18.

(38) IC 36-2-11-16.5.

(39) IC 36-9-23-33.

(40) IC 36-9-27-61.

(b) The total amount of a fee or charge increased under subsection (a) may not exceed an amount that is reasonably related to:

(1) the administrative cost of providing or carrying out the service, function, or program for which the fee or charge is imposed; or

(2) the administrative cost of exercising the regulatory power or function for which the fee or charge is imposed;

as determined by the fiscal body in a public hearing.

SECTION 72. IC 36-2-7-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 10. (a) The county recorder shall tax and collect the fees prescribed by this section for recording, filing, copying, and other services the recorder renders, and shall pay them into the county treasury at the end of each calendar month. The fees prescribed and collected under this section supersede all other recording fees required by law to be charged for services rendered by the county recorder.

(b) The county recorder shall charge the following:

(1) Six dollars (\$6) for the first page and two dollars (\$2) for each additional page of any document the recorder records if the pages are not larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(2) Fifteen dollars (\$15) for the first page and five dollars (\$5) for each additional page of any document the recorder records, if the pages are larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(3) For attesting to the release, partial release, or assignment of any mortgage, judgment, lien, or oil and gas lease contained on a multiple transaction document, the fee for each transaction after the first is the amount provided in subdivision (1) plus the amount

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provided in subdivision (4) and one dollar (\$1) for marginal mortgage assignments or marginal mortgage releases.

(4) One dollar (\$1) for each cross-reference of a recorded document.

(5) One dollar (\$1) per page not larger than eight and one-half (8 1/2) inches by fourteen (14) inches for furnishing copies of records produced by a photographic process, and two dollars (\$2) per page that is larger than eight and one-half (8 1/2) inches by fourteen (14) inches.

(6) Five dollars (\$5) for acknowledging or certifying to a document.

(7) Five dollars (\$5) for each deed the recorder records, in addition to other fees for deeds, for the county surveyor's corner perpetuation fund for use as provided in IC 32-19-4-3 or IC 36-2-12-11(e).

(8) A fee in an amount authorized under IC 5-14-3-8 for transmitting a copy of a document by facsimile machine.

(9) A fee in an amount authorized by an ordinance adopted by the county legislative body for duplicating a computer tape, a computer disk, an optical disk, microfilm, or similar media. This fee may not cover making a handwritten copy or a photocopy or using xerography or a duplicating machine.

(10) A supplemental fee of three dollars (\$3) for recording a document that is paid at the time of recording. The fee under this subdivision is in addition to other fees provided by law for recording a document.

(11) Three dollars (\$3) for each mortgage on real estate recorded, in addition to other fees required by this section, distributed as follows:

(A) Fifty cents (\$0.50) is to be deposited in the recorder's record perpetuation fund.

(B) Two dollars and fifty cents (\$2.50) is to be distributed to the auditor of state on or before June 20 and December 20 of each year as provided in IC 24-9-9-3.

A fee under this subsection may be increased under IC 36-1-8-16.

(c) The county treasurer shall establish a recorder's records perpetuation fund. All revenue received under subsection (b)(5), (b)(8), (b)(9), and (b)(10), and fifty cents (\$0.50) from revenue received under subsection (b)(11), shall be deposited in this fund. The county recorder may use any money in this fund without appropriation for the preservation of records and the improvement of record keeping systems and equipment.

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(d) As used in this section, "record" or "recording" includes the functions of recording, filing, and filing for record.

(e) The county recorder shall post the fees set forth in subsection (b) in a prominent place within the county recorder's office where the fee schedule will be readily accessible to the public.

(f) The county recorder may not tax or collect any fee for:

(1) recording an official bond of a public officer, a deputy, an appointee, or an employee; or

(2) performing any service under any of the following:

(A) IC 6-1.1-22-2(c).

(B) IC 8-23-7.

(C) IC 8-23-23.

(D) IC 10-17-2-3.

(E) IC 10-17-3-2.

(F) IC 12-14-13.

(G) IC 12-14-16.

(g) The state and its agencies and instrumentalities are required to pay the recording fees and charges that this section prescribes.

SECTION 73. IC 36-2-9-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. (a) Before the auditor makes the endorsement required by IC 36-2-11-14, the auditor may require that a tax identification number identifying the affected real property be placed on an instrument that conveys, creates, encumbers, assigns, or otherwise disposes of an interest in or a lien on real property. The tax identification number may be established by the auditor with the approval of the state board of accounts. If the tax identification number is affixed to the instrument or if a tax identification number is not required, the auditor shall make the proper endorsement on demand.

(b) On request, a county auditor shall provide assistance in obtaining the proper tax identification number for instruments subject to this section.

(c) The tax administration number established by this section is for use in administering statutes concerning taxation of real property and is not competent evidence of the location or size of the real property affected by the instrument.

(d) The legislative body of a county may adopt an ordinance authorizing the auditor to collect a fee in an amount that does not exceed five dollars (\$5) for each:

(1) deed; or

(2) legal description of each parcel contained in the deed; for which the auditor makes a real property endorsement. **A fee under**

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1 **this subsection may be increased under IC 36-1-8-16.** This fee is in
 2 addition to any other fee provided by law. The auditor shall place
 3 revenue received under this subsection in a dedicated fund for use in
 4 maintaining plat books.

5 SECTION 74. IC 36-2-11-16.5 IS AMENDED TO READ AS
 6 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16.5. (a) This section
 7 does not apply to the following:

- 8 (1) A judgment, an order, or a writ of a court.
- 9 (2) A will or death certificate.
- 10 (3) A plat.
- 11 (4) A survey.

12 (b) The county recorder may receive for record an instrument or a
 13 document without collecting the additional fee described in subsection
 14 (c) if:

- 15 (1) the instrument or document consists of at least one (1)
 16 individual page measuring not more than eight and one-half (8
 17 1/2) inches by fourteen (14) inches that is not permanently bound
 18 and is not a continuous form;
- 19 (2) the instrument or document is on white paper of at least
 20 twenty (20) pound weight and has clean margins:
 - 21 (A) on the first and last pages of at least two (2) inches on the
 - 22 top and bottom and one-half (1/2) inch on each side; and
 - 23 (B) on each additional page of at least one-half (1/2) inch on
 - 24 the top, bottom, and each side; and
- 25 (3) the instrument or document is typewritten or computer
 26 generated in black ink in at least 10 point type.

27 (c) For each instrument or document presented for recording that
 28 does not conform to the requirements of subsection (b), the recorder
 29 may attach additional pages, as needed, and collect one dollar (\$1) for
 30 each nonconforming page. **A fee under this subsection may be**
 31 **increased under IC 36-1-8-16.**

32 SECTION 75. IC 36-3-5-8 IS AMENDED TO READ AS
 33 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 8. (a) This section
 34 applies whenever a special taxing district of the consolidated city has
 35 the power to issue bonds, notes, or warrants.

36 (b) Before any bonds, notes, or warrants of a special taxing district
 37 may be issued, the issue must be approved by resolution of the
 38 legislative body of the consolidated city.

39 (c) Any bonds of a special taxing district must be issued in the
 40 manner prescribed by statute for that district, and the board of the
 41 department having jurisdiction over the district shall:

- 42 (1) hold all required hearings;

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(2) adopt all necessary resolutions; and
 (3) appropriate the proceeds of the bonds;
 in that manner. However, the legislative body shall levy each year the special tax required to pay the principal of and interest on the bonds and any bank paying charges.

(d) Notwithstanding any other statute, bonds of a special taxing district may:

- (1) be dated;
 - (2) be issued in any denomination;
 - (3) mature at any time or times not exceeding fifty (50) years after their date; and
 - (4) be payable at any bank or banks;
- as determined by the board. The interest rate or rates that the bonds will bear must be determined by bidding, notwithstanding IC 5-1-11-3.

(e) Bonds of a special taxing district are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of a hearing on the appropriation of the proceeds of bonds.
- (3) The right of taxpayers to appear and be heard on the proposed appropriation.
- (4) The approval of the appropriation by the department of local government finance.
- (5) The right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; ~~and or~~
 - (B) **vote on the proposed issuance in an election on a local public question.**
- (6) The sale of bonds at public sale.

SECTION 76. IC 36-5-2-11 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. (a) The legislative body may issue bonds for the purpose of procuring money to be used in the exercise of the powers of the town and for the payment of town debts. However, a town may not issue bonds to procure money to pay current expenses.

(b) Bonds issued under this section are payable in the amounts and at the times determined by the legislative body.

(c) Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following**:

- (1) The filing of a petition requesting the issuance of bonds and giving notice of the petition.
- (2) The giving of notice of a hearing on the appropriation of the

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proceeds of bonds.

(3) The right of taxpayers to appear and be heard on the proposed appropriation.

(4) The approval of the appropriation by the department of local government finance.

(5) The right of taxpayers to:

(A) remonstrate against the issuance of bonds; ~~and or~~

(B) vote on the proposed issuance in an election on a local public question.

(6) The sale of bonds at public sale for not less than their par value.

(d) The legislative body may, by ordinance, make loans of money for not more than five (5) years and issue notes for the purpose of refunding those loans. The loans may be made only for the purpose of procuring money to be used in the exercise of the powers of the town, and the total amount of outstanding loans under this subsection may not exceed five percent (5%) of the town's total tax levy in the current year (excluding amounts levied to pay debt service and lease rentals). Loans under this subsection shall be made as follows:

(1) The ordinance authorizing the loans must pledge to their payment a sufficient amount of tax revenues over the ensuing five (5) years to provide for refunding the loans.

(2) The loans must be evidenced by notes of the town in terms designating the nature of the consideration, the time and place payable, and the revenues out of which they will be payable.

(3) The interest accruing on the notes to the date of maturity may be added to and included in their face value or be made payable periodically, as provided in the ordinance.

Notes issued under this subsection are not bonded indebtedness for purposes of IC 6-1.1-18.5.

SECTION 77. IC 36-7-14-25.1, AS AMENDED BY P.L.185-2005, SECTION 17, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 25.1. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 27 of this chapter, the taxes allocated under section 39 of this chapter, or other revenues of the district, or any combination of these sources, the redevelopment commission may, by resolution and subject to subsection (p), issue the bonds of the special taxing district in the name of the unit. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property,

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including:

(1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;

(2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;

(3) capitalized interest permitted by this chapter and a debt service reserve for the bonds to the extent the redevelopment commission determines that a reserve is reasonably required; and

(4) expenses that the redevelopment commission is required or permitted to pay under IC 8-23-17.

(b) If the redevelopment commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, the commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable, subject to the requirements of the bond resolution for registering the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the redevelopment commission.

(d) The redevelopment commission shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds, subject to subsection (p). The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds must be executed by the appropriate officer of the unit and attested by the municipal or county fiscal officer.

(f) The bonds are exempt from taxation for all purposes.

(g) The municipal or county fiscal officer shall give notice of the sale of the bonds by publication in accordance with IC 5-3-1. The municipal fiscal officer, or county fiscal officer or executive, shall sell the bonds to the highest bidder, but may not sell them for less than ninety-seven percent (97%) of their par value. However, bonds payable solely or in part from tax proceeds allocated under section 39(b)(2) of this chapter, or other revenues of the district may be sold at a private negotiated sale.

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(h) Except as provided in subsection (i), a redevelopment commission may not issue the bonds when the total issue, including bonds already issued and to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the special taxing district, as determined under IC 36-1-15.

(i) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the redevelopment commission:

(1) from a special tax levied upon all of the property in the taxing district, as provided by section 27 of this chapter;

(2) from the tax proceeds allocated under section 39(b)(2) of this chapter;

(3) from other revenues available to the redevelopment commission; or

(4) from a combination of the methods stated in subdivisions (1) through (3).

If the bonds are payable solely from the tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(j) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.

(k) All laws relating to the giving of notice of the issuance of bonds, the giving of notice of a hearing on the appropriation of the proceeds of the bonds, the right of taxpayers to appear and be heard on the proposed appropriation, and the approval of the appropriation by the department of local government finance apply to all bonds issued under this chapter that are payable from the special benefits tax levied pursuant to section 27 of this chapter or from taxes allocated under section 39 of this chapter.

(l) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance in an election on a local public question;

apply to bonds issued under this chapter, except for bonds payable solely from tax proceeds allocated under section 39(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources.

(m) If a debt service reserve is created from the proceeds of bonds,

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the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(n) Any amount remaining in the debt service reserve after all of the bonds of the issue for which the debt service reserve was established have matured shall be deposited in the allocation fund established under section 39(b)(2) of this chapter.

(o) If bonds are issued under this chapter that are payable solely or in part from revenues to the redevelopment commission from a project or projects, the redevelopment commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the redevelopment commission. The redevelopment commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the redevelopment commission that are payable solely from revenues of the commission shall contain a statement to that effect in the form of bond.

(p) If the total principal amount of bonds authorized by a resolution of the redevelopment commission is equal to or greater than three million dollars (\$3,000,000), the bonds may not be issued without the approval, by resolution, of the legislative body of the unit.

SECTION 78. IC 36-7-14.5-12.5, AS AMENDED BY P.L.185-2005, SECTION 25, AND AS AMENDED BY P.L.190-2005, SECTION 12, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12.5. (a) This section applies only to an authority in a county having a United States government military base that is scheduled for closing or is completely or partially inactive or closed.

(b) In order to accomplish the purposes set forth in ~~section 11(b)~~ **section 11** of this chapter, an authority may create an economic development area:

(1) by following the procedures set forth in IC 36-7-14-41 for the establishment of an economic development area by a redevelopment commission; and

(2) with the same effect as if the economic development area was created by a redevelopment commission.

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However, an authority may not include in an economic development area created under this section any area that was declared a redevelopment project area, an urban renewal area, or an economic development area under IC 36-7-14. The area established under this section shall be established only in the area where a United States government military base that is scheduled for closing or is completely or partially inactive or closed is or was located.

(c) In order to accomplish the purposes set forth in ~~section 11(b)~~ **section 11** of this chapter, an authority may do the following in a manner that serves an economic development area created under this section:

- (1) Acquire by purchase, exchange, gift, grant, condemnation, or lease, or any combination of methods, any personal property or interest in real property needed for the redevelopment of economic development areas located within the corporate boundaries of the unit.
- (2) Hold, use, sell (by conveyance by deed, land sale contract, or other instrument), exchange, lease, rent, or otherwise dispose of property acquired for use in the redevelopment of economic development areas on the terms and conditions that the authority considers best for the unit and the unit's inhabitants.
- (3) Sell, lease, or grant interests in all or part of the real property acquired for redevelopment purposes to any other department of the unit or to any other governmental agency for public ways, levees, sewerage, parks, playgrounds, schools, and other public purposes on any terms that may be agreed on.
- (4) Clear real property acquired for redevelopment purposes.
- (5) Repair and maintain structures acquired for redevelopment purposes.
- (6) Remodel, rebuild, enlarge, or make major structural improvements on structures acquired for redevelopment purposes.
- (7) Survey or examine any land to determine whether the land should be included within an economic development area to be acquired for redevelopment purposes and to determine the value of that land.
- (8) Appear before any other department or agency of the unit, or before any other governmental agency in respect to any matter affecting:
 - (A) real property acquired or being acquired for redevelopment purposes; or
 - (B) any economic development area within the jurisdiction of the authority.

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(9) Institute or defend in the name of the unit any civil action, but all actions against the authority must be brought in the circuit or superior court of the county where the authority is located.

(10) Use any legal or equitable remedy that is necessary or considered proper to protect and enforce the rights of and perform the duties of the authority.

(11) Exercise the power of eminent domain in the name of and within the corporate boundaries of the unit subject to the same conditions and procedures that apply to the exercise of the power of eminent domain by a redevelopment commission under IC 36-7-14.

(12) Appoint an executive director, appraisers, real estate experts, engineers, architects, surveyors, and attorneys.

(13) Appoint clerks, guards, laborers, and other employees the authority considers advisable, except that those appointments must be made in accordance with the merit system of the unit if such a system exists.

(14) Prescribe the duties and regulate the compensation of employees of the authority.

(15) Provide a pension and retirement system for employees of the authority by using the public employees' retirement fund or a retirement plan approved by the United States Department of Housing and Urban Development.

(16) Discharge and appoint successors to employees of the authority subject to subdivision (13).

(17) Rent offices for use of the department or authority, or accept the use of offices furnished by the unit.

(18) Equip the offices of the authority with the necessary furniture, furnishings, equipment, records, and supplies.

(19) Design, order, contract for, and construct, reconstruct, improve, or renovate the following:

(A) Any local public improvement or structure that is necessary for redevelopment purposes or economic development within the corporate boundaries of the unit.

(B) Any structure that enhances development or economic development.

(20) Contract for the construction, extension, or improvement of pedestrian skyways (as defined in IC 36-7-14-12.2(c)).

(21) Accept loans, grants, and other forms of financial assistance from, or contract with, the federal government, the state government, a municipal corporation, a special taxing district, a foundation, or any other source.

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(22) Make and enter into all contracts and agreements necessary or incidental to the performance of the duties of the authority and the execution of the powers of the authority under this chapter.

(23) Take any action necessary to implement the purpose of the authority.

(24) Provide financial assistance, in the manner that best serves the purposes set forth in ~~section 11(b)~~ **section 11** of this chapter, including grants and loans, to enable private enterprise to develop, redevelop, and reuse military base property or otherwise enable private enterprise to provide social and economic benefits to the citizens of the unit.

(d) An authority may designate all or a portion of an economic development area created under this section as an allocation area by following the procedures set forth in IC 36-7-14-39 for the establishment of an allocation area by a redevelopment commission. The allocation provision may modify the definition of "property taxes" under IC 36-7-14-39(a) to include taxes imposed under IC 6-1.1 on the depreciable personal property located and taxable on the site of operations of designated taxpayers in accordance with the procedures applicable to a commission under IC 36-7-14-39.3. IC 36-7-14-39.3 applies to such a modification. An allocation area established by an authority under this section is a special taxing district authorized by the general assembly to enable the unit to provide special benefits to taxpayers in the allocation area by promoting economic development that is of public use and benefit. For allocation areas established for an economic development area created under this section after June 30, 1997, and to the expanded portion of an allocation area for an economic development area that was established before June 30, 1997, and that is expanded under this section after June 30, 1997, the net assessed value of property that is assessed as residential property under the rules of the department of local government finance, as finally determined for any assessment date, must be allocated. All of the provisions of IC 36-7-14-39, IC 36-7-14-39.1, and IC 36-7-14-39.5 apply to an allocation area created under this section, except that the authority shall be vested with the rights and duties of a commission as referenced in those sections, and except that, notwithstanding IC 36-7-14-39(b)(2), property tax proceeds paid into the allocation fund may be used by the authority only to do one (1) or more of the following:

(1) Pay the principal of and interest and redemption premium on any obligations incurred by the special taxing district or any other entity for the purpose of financing or refinancing military base

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reuse activities in or serving or ~~benefitting~~ *benefiting* that allocation area.

(2) Establish, augment, or restore the debt service reserve for obligations payable solely or in part from allocated tax proceeds in that allocation area or from other revenues of the authority (including lease rental revenues).

(3) Make payments on leases payable solely or in part from allocated tax proceeds in that allocation area.

(4) Reimburse any other governmental body for expenditures made by it for local public improvements or structures in or serving or ~~benefitting~~ *benefiting* that allocation area.

(5) Pay all or a portion of a property tax replacement credit to taxpayers in an allocation area as determined by the authority. This credit equals the amount determined under the following STEPS for each taxpayer in a taxing district (as defined in IC 6-1.1-1-20) that contains all or part of the allocation area:

STEP ONE: Determine that part of the sum of the amounts under IC 6-1.1-21-2(g)(1)(A), IC 6-1.1-21-2(g)(2), IC 6-1.1-21-2(g)(3), IC 6-1.1-21-2(g)(4), and IC 6-1.1-21-2(g)(5) that is attributable to the taxing district.

STEP TWO: Divide:

(A) that part of each county's eligible property tax replacement amount (as defined in IC 6-1.1-21-2) for that year as determined under IC 6-1.1-21-4 that is attributable to the taxing district; by

(B) the STEP ONE sum.

STEP THREE: Multiply:

(A) the STEP TWO quotient; by

(B) the total amount of the taxpayer's taxes (as defined in IC 6-1.1-21-2) levied in the taxing district that have been allocated during that year to an allocation fund under this section.

If not all the taxpayers in an allocation area receive the credit in full, each taxpayer in the allocation area is entitled to receive the same proportion of the credit. A taxpayer may not receive a credit under this section and a credit under IC 36-7-14-39.5 in the same year.

(6) Pay expenses incurred by the authority for local public improvements or structures that are in the allocation area or serving or benefiting the allocation area.

(7) Reimburse public and private entities for expenses incurred in training employees of industrial facilities that are located:

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- (A) in the allocation area; and
- (B) on a parcel of real property that has been classified as industrial property under the rules of the department of local government finance.

However, the total amount of money spent for this purpose in any year may not exceed the total amount of money in the allocation fund that is attributable to property taxes paid by the industrial facilities described in clause (B). The reimbursements under this subdivision must be made within three (3) years after the date on which the investments that are the basis for the increment financing are made. The allocation fund may not be used for operating expenses of the authority.

(e) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefitting an economic development area created by an authority under this section, and in anticipation of the taxes allocated under subsection (d), other revenues of the authority, or any combination of these sources, the authority may, by resolution, issue the bonds of the special taxing district in the name of the unit. Bonds issued under this section may be issued in any amount without limitation. The following apply if such a resolution is adopted:

- (1) The authority shall certify a copy of the resolution authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.
- (2) The bonds must be executed by the appropriate officer of the unit and attested by the unit's fiscal officer.
- (3) The bonds are exempt from taxation for all purposes.
- (4) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.
- (5) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the authority:
 - (A) from the tax proceeds allocated under subsection (d);
 - (B) from other revenues available to the authority; or
 - (C) from a combination of the methods stated in clauses (A) and (B).
- (6) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issuance.
- (7) Laws relating to:
 - (A) the filing of petitions requesting the issuance of bonds;

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and

(B) the right of taxpayers to:

(i) remonstrate against the issuance of bonds; **or**

(ii) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this section.

(8) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(9) If bonds are issued under this chapter that are payable solely or in part from revenues to the authority from a project or projects, the authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the authority. The authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the authority that are payable solely from revenues of the authority shall contain a statement to that effect in the form of bond.

(f) Notwithstanding section 8(a) of this chapter, an ordinance adopted under ~~section 11(b)~~ **section 11** of this chapter may provide, or be amended to provide, that the board of directors of the authority shall be composed of not fewer than three (3) nor more than ~~seven (7)~~ *eleven (11)* members, who must be residents of the unit appointed by the executive of the unit.

(g) The acquisition of real and personal property by an authority under this section is not subject to the provisions of IC 5-22, IC 36-1-10.5, IC 36-7-14-19, or any other statutes governing the purchase of property by public bodies or their agencies.

(h) An authority may negotiate for the sale, lease, or other disposition of real and personal property without complying with the provisions of IC 5-22-22, IC 36-1-11, IC 36-7-14-22, or any other statute governing the disposition of public property.

(i) Notwithstanding any other law, utility services provided within an economic development area established under this section are subject to regulation by the appropriate regulatory agencies unless the

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1 utility service is provided by a utility that provides utility service solely
 2 within the geographic boundaries of an existing or a closed military
 3 installation, in which case the utility service is not subject to regulation
 4 for purposes of rate making, regulation, service delivery, or issuance of
 5 bonds or other forms of indebtedness. However, this exemption from
 6 regulation does not apply to utility service if the service is generated,
 7 treated, or produced outside the boundaries of the existing or closed
 8 military installation.

9 SECTION 79. IC 36-7-15.1-17, AS AMENDED BY P.L.185-2005,
 10 SECTION 34, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE
 11 JULY 1, 2006]: Sec. 17. (a) In addition to other methods of raising
 12 money for property acquisition or redevelopment in a redevelopment
 13 project area, and in anticipation of the special tax to be levied under
 14 section 19 of this chapter, the taxes allocated under section 26 of this
 15 chapter, or other revenues of the redevelopment district, the
 16 commission may, by resolution, issue the bonds of the redevelopment
 17 district in the name of the consolidated city and in accordance with
 18 IC 36-3-5-8. The amount of the bonds may not exceed the total, as
 19 estimated by the commission, of all expenses reasonably incurred in
 20 connection with the acquisition and redevelopment of the property,
 21 including:

- 22 (1) the total cost of all land, rights-of-way, and other property to
 23 be acquired and redeveloped;
- 24 (2) all reasonable and necessary architectural, engineering, legal,
 25 financing, accounting, advertising, bond discount, and
 26 supervisory expenses related to the acquisition and redevelopment
 27 of the property or the issuance of bonds;
- 28 (3) capitalized interest permitted in this chapter and a debt service
 29 reserve for the bonds, to the extent that the redevelopment
 30 commission determines that a reserve is reasonably required;
- 31 (4) the total cost of all clearing and construction work provided
 32 for in the resolution; and
- 33 (5) expenses that the commission is required or permitted to pay
 34 under IC 8-23-17.

35 (b) If the commission plans to acquire different parcels of land or let
 36 different contracts for redevelopment work at approximately the same
 37 time, whether under one (1) or more resolutions, the commission may
 38 provide for the total cost in one (1) issue of bonds.

39 (c) The bonds must be dated as set forth in the bond resolution and
 40 negotiable subject to the requirements of the bond resolution for the
 41 registration of the bonds. The resolution authorizing the bonds must
 42 state:

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- (1) the denominations of the bonds;
- (2) the place or places at which the bonds are payable; and
- (3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the consolidated city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the city executive and attested by the fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The city fiscal officer shall sell the bonds according to law. Notwithstanding IC 36-3-5-8, bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

- (1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 19 of this chapter;
- (2) from the tax proceeds allocated under section 26(b)(2) of this chapter;
- (3) from other revenues available to the commission; or
- (4) from a combination of the methods stated in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) Notwithstanding IC 36-3-5-8, the laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) vote on the proposed issuance in an election on a local

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public question;

applicable to bonds issued under this chapter do not apply to bonds payable solely or in part from tax proceeds allocated under section 26(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to the commission from a project or projects, the commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects, but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of any bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 80. IC 36-7-15.1-45, AS AMENDED BY P.L.185-2005, SECTION 45, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 45. (a) In addition to other methods of raising money for property acquisition or redevelopment in a redevelopment project area, and in anticipation of the special tax to be levied under section 50 of this chapter, the taxes allocated under section 53 of this chapter, or other revenues of the redevelopment district, a commission may, by resolution, issue the bonds of its redevelopment district in the name of the excluded city. The amount of the bonds may not exceed the total, as estimated by the commission, of all expenses reasonably incurred in connection with the acquisition and redevelopment of the property, including:

- (1) the total cost of all land, rights-of-way, and other property to be acquired and redeveloped;
- (2) all reasonable and necessary architectural, engineering, legal, financing, accounting, advertising, bond discount, and supervisory expenses related to the acquisition and redevelopment of the property or the issuance of bonds;
- (3) capitalized interest permitted in this chapter and a debt service reserve for the bonds, to the extent that the redevelopment commission determines that a reserve is reasonably required;

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(4) the total cost of all clearing and construction work provided for in the resolution; and

(5) expenses that the commission is required or permitted to pay under IC 8-23-17.

(b) If a commission plans to acquire different parcels of land or let different contracts for redevelopment work at approximately the same time, whether under one (1) or more resolutions, a commission may provide for the total cost in one (1) issue of bonds.

(c) The bonds must be dated as set forth in the bond resolution and negotiable subject to the requirements concerning registration of the bonds. The resolution authorizing the bonds must state:

(1) the denominations of the bonds;

(2) the place or places at which the bonds are payable; and

(3) the term of the bonds, which may not exceed fifty (50) years.

The resolution may also state that the bonds are redeemable before maturity with or without a premium, as determined by the commission.

(d) The commission shall certify a copy of the resolution authorizing the bonds to the fiscal officer of the excluded city, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds, or a facsimile of the seal must be printed on the bonds.

(e) The bonds shall be executed by the excluded city executive and attested by the excluded city fiscal officer. The interest coupons, if any, shall be executed by the facsimile signature of the excluded city fiscal officer.

(f) The bonds are exempt from taxation as provided by IC 6-8-5.

(g) The excluded city fiscal officer shall sell the bonds according to law. Bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter or other revenues of the district may be sold at private negotiated sale and at a price or prices not less than ninety-seven percent (97%) of the par value.

(h) The bonds are not a corporate obligation of the excluded city but are an indebtedness of the redevelopment district. The bonds and interest are payable:

(1) from a special tax levied upon all of the property in the redevelopment district, as provided by section 50 of this chapter;

(2) from the tax proceeds allocated under section 53(b)(2) of this chapter;

(3) from other revenues available to the commission; or

(4) from a combination of the methods described in subdivisions (1) through (3);

and from any revenues of the designated project. If the bonds are payable solely from the tax proceeds allocated under section 53(b)(2)

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of this chapter, other revenues of the redevelopment commission, or any combination of these sources, they may be issued in any amount without limitation.

(i) Proceeds from the sale of the bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years from the date of issue.

(j) The laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds applicable to bonds issued under this chapter; **or**

(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds payable solely or in part from tax proceeds allocated under section 53(b)(2) of this chapter, other revenues of the commission, or any combination of these sources.

(k) If bonds are issued under this chapter that are payable solely or in part from revenues to a commission from a project or projects, a commission may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign the revenues from the project or projects but may not convey or mortgage any project or parts of a project. The resolution or trust indenture may also contain any provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including covenants setting forth the duties of the commission. The commission may establish fees and charges for the use of any project and covenant with the owners of bonds to set those fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Any revenue bonds issued by the commission that are payable solely from revenues of the commission must contain a statement to that effect in the form of bond.

SECTION 81. IC 36-7-30-18 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 18. (a) In addition to other methods of raising money for property acquisition, redevelopment, or economic development activities in or directly serving or benefiting a military base reuse area, and in anticipation of the taxes allocated under section 25 of this chapter, other revenues of the district, or any combination of these sources, the reuse authority may by resolution issue the bonds of the special taxing district in the name of the unit.

(b) The reuse authority shall certify a copy of the resolution

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authorizing the bonds to the municipal or county fiscal officer, who shall then prepare the bonds. The seal of the unit must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the appropriate officer of the unit, and attested by the unit's fiscal officer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of the unit but are an indebtedness of the taxing district. The bonds and interest are payable, as set forth in the bond resolution of the reuse authority, from any of the following:

(1) The tax proceeds allocated under section 25 of this chapter.

(2) Other revenues available to the reuse authority.

(3) A combination of the methods stated in subdivisions (1) through (2).

If the bonds are payable solely from the tax proceeds allocated under section 25 of this chapter, other revenues of the reuse authority, or any combination of these sources, the bonds may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

(1) the filing of petitions requesting the issuance of bonds; and

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the reuse authority, the reuse authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the reuse authority and properties becoming available to the reuse authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a

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covenant setting forth the duties of the reuse authority. The reuse authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the reuse authority that are payable solely from revenues of the reuse authority shall contain a statement to that effect in the form of the bond.

SECTION 82. IC 36-7-30.5-23, AS ADDED BY P.L.203-2005, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 23. (a) In addition to other methods of raising money for property acquisition, redevelopment, reuse, or economic development activities in or directly serving or benefitting a military base development area, and in anticipation of the taxes allocated under section 30 of this chapter, other revenues of the district, or any combination of these sources, the development authority may by resolution issue the bonds of the development authority.

(b) The secretary-treasurer of the development authority shall prepare the bonds. The seal of the development authority must be impressed on the bonds or a facsimile of the seal must be printed on the bonds.

(c) The bonds must be executed by the president of the development authority and attested by the secretary-treasurer.

(d) The bonds are exempt from taxation for all purposes.

(e) Bonds issued under this section may be sold at public sale in accordance with IC 5-1-11 or at a negotiated sale.

(f) The bonds are not a corporate obligation of a unit but are an indebtedness of only the development authority. The bonds and interest are payable, as set forth in the bond resolution of the development authority, from any of the following:

- (1) The tax proceeds allocated under section 30 of this chapter.
- (2) Other revenues available to the development authority.
- (3) A combination of the methods stated in subdivisions (1) through (2).

The bonds issued under this section may be issued in any amount without limitation.

(g) Proceeds from the sale of bonds may be used to pay the cost of interest on the bonds for a period not to exceed five (5) years after the date of issuance.

(h) All laws relating to:

- (1) the filing of petitions requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or

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(B) vote on the proposed issuance in an election on a local public question;

do not apply to bonds issued under this chapter.

(i) If a debt service reserve is created from the proceeds of bonds, the debt service reserve may be used to pay principal and interest on the bonds as provided in the bond resolution.

(j) If bonds are issued under this chapter that are payable solely or in part from revenues of the development authority, the development authority may adopt a resolution or trust indenture or enter into covenants as is customary in the issuance of revenue bonds. The resolution or trust indenture may pledge or assign revenues of the development authority and properties becoming available to the development authority under this chapter. The resolution or trust indenture may also contain provisions for protecting and enforcing the rights and remedies of the bond owners as may be reasonable and proper and not in violation of law, including a covenant setting forth the duties of the development authority. The development authority may establish fees and charges for the use of any project and covenant with the owners of any bonds to set the fees and charges at a rate sufficient to protect the interest of the owners of the bonds. Revenue bonds issued by the development authority that are payable solely from revenues of the development authority shall contain a statement to that effect in the form of the bond.

SECTION 83. IC 36-9-3-31 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 31. (a) This section applies to an authority that includes a county having a population of more than four hundred thousand (400,000) but less than seven hundred thousand (700,000).

(b) The authority may issue revenue or general obligation bonds under this section.

(c) The board may issue revenue bonds of the authority for the purpose of procuring money to pay the cost of acquiring real or personal property for the purpose of this chapter. The issuance of bonds must be authorized by resolution of the board and approved by the county fiscal bodies of the counties in the authority before issuance. The resolution must provide for the amount, terms, and tenor of the bonds, and for the time and character of notice and mode of making sale of the bonds.

(d) The bonds are payable at the times and places determined by the board, but they may not run more than thirty (30) years after the date of their issuance and must be executed in the name of the authority by an authorized officer of the board and attested by the secretary. The

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1 interest coupons attached to the bonds may be executed by placing on
2 them the facsimile signature of the authorized officer of the board.

3 (e) The president of the authority shall manage and supervise the
4 preparation, advertisement, and sale of the bonds, subject to the
5 authorizing ordinance. Before the sale of bonds, the president shall
6 cause notice of the sale to be published in accordance with IC 5-3-1,
7 setting out the time and place where bids will be received, the amount
8 and maturity dates of the issue, the maximum interest rate, and the
9 terms and conditions of sale and delivery of the bonds. The bonds shall
10 be sold in accordance with IC 5-1-11. After the bonds have been
11 properly sold and executed, the executive director or president shall
12 deliver them to the controller of the authority and take a receipt for
13 them, and shall certify to the treasurer the amount that the purchaser is
14 to pay, together with the name and address of the purchaser. On
15 payment of the purchase price the controller shall deliver the bonds to
16 the purchaser, and the controller and executive director or president
17 shall report their actions to the board.

18 (f) General obligation bonds issued under this section are subject to
19 the provisions of IC 5-1 and IC 6-1.1-20 relating to **the following:**

20 (1) The filing of a petition requesting the issuance of bonds.

21 (2) The appropriation of the proceeds of bonds.

22 (3) The right of taxpayers to appeal and be heard on the proposed
23 appropriation.

24 (4) The approval of the appropriation by the department of local
25 government finance.

26 (5) The right of taxpayers to:

27 (A) remonstrate against the issuance of bonds; ~~and or~~

28 (B) **vote on the proposed issuance in an election on a local**
29 **public question.**

30 (6) The sale of bonds for not less than their par value.

31 (g) Notice of the filing of a petition requesting the issuance of
32 bonds, notice of determination to issue bonds, and notice of the
33 appropriation of the proceeds of the bonds shall be given by posting in
34 the offices of the authority for a period of one (1) week and by
35 publication in accordance with IC 5-3-1.

36 (h) The bonds are not a corporate indebtedness of any unit, but are
37 an indebtedness of the authority as a municipal corporation. A suit to
38 question the validity of the bonds issued or to prevent their issuance
39 may not be instituted after the date set for sale of the bonds, and after
40 that date the bonds may not be contested for any cause.

41 (i) The bonds issued under this section and the interest on them are
42 exempt from taxation for all purposes except the financial institutions

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1 tax imposed under IC 6-5.5 or a state inheritance tax imposed under
2 IC 6-4.1.

3 SECTION 84. IC 36-9-4-45 IS AMENDED TO READ AS
4 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 45. (a) Bonds issued
5 under this chapter:

- 6 (1) shall be issued in the denomination;
- 7 (2) are payable over a period not to exceed thirty (30) years from
8 the date of the bonds; and
- 9 (3) mature;

10 as determined by the ordinance authorizing the bond issue.

11 (b) All bonds issued under this chapter, the interest on them, and the
12 income from them are exempt from taxation to the extent provided by
13 IC 6-8-5-1.

14 (c) The provisions of IC 6-1.1-20 relating to:

- 15 (1) filing petitions requesting the issuance of bonds and giving
16 notice of those petitions;
- 17 (2) giving notice of a hearing on the appropriation of the proceeds
18 of the bonds;
- 19 (3) the right of taxpayers to appear and be heard on the proposed
20 appropriation;
- 21 (4) the approval of the appropriation by the department of local
22 government finance; and
- 23 (5) the right of taxpayers to:

24 (A) remonstrate against the issuance of bonds; or

25 **(B) vote on the proposed issuance in an election on a local**
26 **public question;**

27 apply to the issuance of bonds under this chapter.

28 (d) A suit to question the validity of bonds issued under this chapter
29 or to prevent their issue and sale may not be instituted after the date set
30 for the sale of the bonds, and the bonds are incontestable after that date.

31 SECTION 85. IC 36-9-23-33 IS AMENDED TO READ AS
32 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 33. (a) An officer
33 described in subsection (b) may defer enforcing the collection of
34 unpaid fees and penalties assessed under this chapter until the unpaid
35 fees and penalties have been due and unpaid for at least ninety (90)
36 days.

37 (b) Except as provided in subsection (1), the officer charged with the
38 collection of fees and penalties assessed under this chapter shall
39 enforce their payment. As often as the officer determines is necessary
40 in a calendar year, the officer shall prepare either of the following:

- 41 (1) A list of the delinquent fees and penalties that are enforceable
42 under this section, which must include the following:

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- 1 (A) The name or names of the owner or owners of each lot or
 2 parcel of real property on which fees are delinquent.
 3 (B) A description of the premises, as shown by the records of
 4 the county auditor.
 5 (C) The amount of the delinquent fees, together with the
 6 penalty.
 7 (2) An individual instrument for each lot or parcel of real property
 8 on which the fees are delinquent.
 9 (c) The officer shall record a copy of each list or each individual
 10 instrument with the county recorder who shall charge a fee for
 11 recording the list or each individual instrument in accordance with the
 12 fee schedule established in IC 36-2-7-10. The officer shall then mail to
 13 each property owner on the list or on an individual instrument a notice
 14 stating that a lien against the owner's property has been recorded.
 15 Except for a county having a consolidated city, a service charge of five
 16 dollars (\$5), which is in addition to the recording fee charged under
 17 this subsection and under subsection (f), shall be added to each
 18 delinquent fee that is recorded. **A service charge under this**
 19 **subsection may be increased under IC 36-1-8-16.**
 20 (d) This subsection applies only to a county containing a
 21 consolidated city. Using the lists and instruments prepared under
 22 subsection (b) and recorded under subsection (c), the officer shall
 23 certify to the county auditor a list of the liens that remain unpaid
 24 according to a schedule agreed upon by the county treasurer and the
 25 officer for collection with the next cycle's property tax installment. The
 26 county and its officers and employees are not liable for any material
 27 error in the information on the list.
 28 (e) Using the lists and instruments prepared under subsection (b)
 29 and recorded under subsection (c), the officer shall, not later than ten
 30 (10) days after the list or each individual instrument is recorded under
 31 subsection (c), certify to the county auditor a list of the liens that
 32 remain unpaid for collection in the next May. The county and its
 33 officers and employees are not liable for any material error in the
 34 information on this list.
 35 (f) The officer shall release any recorded lien when the delinquent
 36 fees, penalties, service charges, and recording fees have been fully
 37 paid. The county recorder shall charge a fee for releasing the lien in
 38 accordance with IC 36-2-7-10.
 39 (g) On receipt of the list under subsection (e), the county auditor of
 40 each county shall add a fifteen dollar (\$15) certification fee for each lot
 41 or parcel of real property on which fees are delinquent, which fee is in
 42 addition to all other fees and charges. **A certification fee under this**

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subsection may be increased under IC 36-1-8-16. The county auditor shall immediately enter on the tax duplicate for the municipality the delinquent fees, penalties, service charges, recording fees, and certification fees, which are due not later than the due date of the next May installment of property taxes. In a county having a consolidated city, the delinquent fees, penalties, service charges, and recording fees are due not later than the due date of the next installment of property taxes. The county treasurer shall then include any unpaid charges for the delinquent fee, penalty, service charge, recording fee, and certification fee to the owner or owners of each lot or parcel of property, at the time the next cycle's property tax installment is billed.

(h) After certification of liens under subsection (e), the officer may not collect or accept delinquent fees, penalties, service charges, recording fees, or certification fees from property owners whose property has been certified to the county auditor. This subsection does not apply to a county containing a consolidated city.

(i) If a delinquent fee, penalty, service charge, recording fee, and certification fee are not paid, they shall be collected by the county treasurer in the same way that delinquent property taxes are collected.

(j) At the time of each semiannual tax settlement, the county treasurer shall certify to the county auditor all fees, charges, and penalties that have been collected. The county auditor shall deduct the service charges and certification fees collected by the county treasurer and pay over to the officer the remaining fees and penalties due the municipality. The county treasurer shall retain the service charges and certification fees that have been collected and shall deposit them in the county general fund.

(k) Fees, penalties, and service charges that were not recorded before a recorded conveyance shall be removed from the tax roll for a purchaser who, in the manner prescribed by section 32(d) of this chapter, files a verified demand with the county auditor.

(l) A board may write off a fee or penalty under subsection (a) that is for less than forty dollars (\$40).

SECTION 86. IC 36-9-27-61 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 61. **(a)** When the board refers a petition to the county surveyor for a final report under section 60(b) of this chapter, the surveyor shall do the following:

- (1) Make the necessary survey for the proposed drain.
- (2) Prepare plans for structures other than bridges or culverts crossing a railroad right-of-way or a highway owned by the state. In preparing the plans, the surveyor shall include all appurtenances needed to complete the proposed drain.

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(3) Prepare maps showing the location of the land proposed to be assessed.

(4) Prepare profiles showing the cuts and gradient of the proposed work.

(5) Determine the best and cheapest method of drainage, which may be by:

(A) removing obstructions from a natural or artificial watercourse;

(B) diverting a natural or artificial watercourse from its channel;

(C) deepening, widening, or changing the channel of a natural or artificial watercourse;

(D) constructing an artificial channel, with or without arms or branches;

(E) tiling all or part of an open drain;

(F) converting all or part of a tiled drain to an open drain;

(G) constructing a new drain as a part or the whole of the work; or

(H) any combination of these methods.

(6) Determine and describe the termini, route, location, and character of the proposed work, including grades, bench marks, and all necessary arms. The surveyor may vary the line of the work from the line described in the petition and he may fix the beginning and outlet so as to secure the best results.

(7) Divide the proposed drain into sections of not more than one hundred (100) feet in length, and compute and set out the number of cubic yards of excavation in each section.

(8) Estimate the cost of the proposed drain, including construction, seeding or sodding of disturbed areas and the banks of open drains, notices, advertising, and the attorney's fee for the petitioner's attorney. The amount of the attorney's fee is computed as follows:

(A) If the estimated cost of constructing the drain is less than one thousand five hundred dollars (\$1,500), the fee is fifteen percent (15%) of that cost.

(B) If the estimated construction cost is one thousand five hundred dollars (\$1,500) or more, but less than twenty-five thousand dollars (\$25,000), the fee is two hundred twenty-five dollars (\$225) plus five percent (5%) of the amount by which that cost exceeds one thousand five hundred dollars (\$1,500).

(C) If the estimated construction cost is twenty-five thousand dollars (\$25,000) or more, the fee is one thousand four

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1 hundred dollars (\$1,400) plus one percent (1%) of the amount
 2 by which that cost exceeds twenty-five thousand dollars
 3 (\$25,000).

4 **(b) A fee under subsection (a) may be increased under**
 5 **IC 36-1-8-16.**

6 SECTION 87. IC 36-10-3-24 IS AMENDED TO READ AS
 7 FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 24. (a) In order to raise
 8 money to pay for land to be acquired for any of the purposes named in
 9 this chapter, to pay for an improvement authorized by this chapter, or
 10 both, and in anticipation of the special benefit tax to be levied as
 11 provided in this chapter, the board shall cause to be issued, in the name
 12 of the unit, the bonds of the district. The bonds may not exceed in
 13 amount the total cost of all land to be acquired and all improvements
 14 described in the resolution, including all expenses necessarily incurred
 15 in connection with the proceedings, together with a sum sufficient to
 16 pay the costs of supervision and inspection during the period of
 17 construction of a work. The expenses to be covered in the bond issue
 18 include all expenses of every kind actually incurred preliminary to
 19 acquiring the land and the construction of the work, such as the cost of
 20 the necessary record, engineering expenses, publication of notices,
 21 preparation of bonds, and other necessary expenses. If more than one
 22 (1) resolution or proceeding of the board under section 23 of this
 23 chapter is confirmed whereby different parcels of land are to be
 24 acquired, or more than one (1) contract for work is let by the board at
 25 approximately the same time, the cost involved under all of the
 26 resolutions and proceedings may be included in one (1) issue of bonds.

27 (b) The bonds may be issued in any denomination not less than one
 28 thousand dollars (\$1,000) each, in not less than five (5) nor more than
 29 forty (40) annual series. The bonds are payable one (1) series each
 30 year, beginning at a date after the receipt of taxes from a levy made for
 31 that purpose. The bonds are negotiable. The bonds may bear interest at
 32 any rate, payable semiannually. After adopting a resolution ordering
 33 bonds, the board shall certify a copy of the resolution to the unit's fiscal
 34 officer. The fiscal officer shall prepare the bonds and the unit's
 35 executive shall execute them, attested by the fiscal officer.

36 (c) The bonds and the interest on them are exempt from taxation as
 37 prescribed by IC 6-8-5-1. Bonds issued under this section are subject
 38 to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- 39 (1) the filing of a petition requesting the issuance of bonds;
 40 (2) the right of taxpayers to:
 41 (A) remonstrate against the issuance of bonds; **or**
 42 (B) **vote on the proposed issuance in an election on a local**

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public question;

(3) the appropriation of the proceeds of the bonds and approval by the department of local government finance; and

(4) the sale of bonds at public sale for not less than their par value.

(d) The board may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the adjusted value of the taxable property in the district as determined under IC 36-1-15. All bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the unit, but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. The bonds must recite the terms upon their face, together with the purposes for which they are issued.

SECTION 88. IC 36-10-4-35 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 35. (a) In order to pay for:

- (1) land to be acquired for any of the purposes of this chapter;
- (2) an improvement authorized by this chapter; or
- (3) both;

the board shall issue the bonds of the district in the name of the city in anticipation of the special benefits tax to be levied under this chapter. The amount of the bonds may not exceed the estimated cost of all land to be acquired and the estimated cost of all improvements provided in the resolution, including all expenses necessarily incurred in the proceedings and a sum sufficient to pay the estimated costs of supervision and inspection during the period of construction. Expenses include all expenses actually incurred preliminary to acquisition of the land and the construction work, such as the estimated cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other expenses necessary to letting the contract and selling the bonds.

(b) The total amount of any benefits that have been assessed by the board and confirmed against lots and parcels of land, exclusive of improvements, lying within two thousand (2,000) feet on either side of the land to be acquired or of the improvement, however, shall be deducted from the estimated cost.

(c) If more than one (1) resolution or proceeding of the board under section 25 of this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by

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the board at approximately the same time, the estimated cost involved under all of the resolutions and proceedings may be contained in one (1) issue of bonds.

(d) The bonds shall be issued in any denomination up to five thousand dollars (\$5,000) each. The bonds are negotiable instruments and bear interest at a rate established by the board and approved by the city legislative body.

(e) After adopting a resolution ordering the bonds, the board shall certify a copy of the resolution to the fiscal officer of the city. The fiscal officer shall then prepare the bonds, which shall be executed by the city executive and attested by the fiscal officer. The bonds are exempt from taxation for all purposes and are subject to IC 6-1.1-20 concerning:

- (1) the filing of a petition requesting the issuance of bonds; and
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; or
 - (B) vote on the proposed issuance in an election on a local public question.**

(f) All bonds shall be sold at not less than par value plus accrued interest to date of delivery by the city fiscal officer to the highest bidder after giving notice of the sale of the bonds by publication in accordance with IC 5-3-1.

(g) The bonds are subject to approval by the city legislative body, in the manner it prescribes by ordinance or resolution.

(h) The bonds are not corporate obligations or indebtedness of the city, but are an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all property of the district. The bonds must recite these terms upon their face, together with the purposes for which they are issued.

(i) An action to question the validity of bonds of the district or to prevent their issue may not be brought after the date set for the sale of the bonds.

(j) The board may, instead of selling the bonds in series, sell the bonds to run for a period of five (5) years from the date of issue for the purposes of this chapter at any rate of interest payable semiannually, also exempt from taxation for all purposes. The board may sell bonds in series to refund the five (5) year bonds.

SECTION 89. IC 36-10-7.5-22 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 22. (a) To raise money to pay for land to be acquired for any of the purposes named in this chapter or to pay for an improvement authorized by this chapter and in anticipation of the special benefit tax to be levied as provided in this

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chapter, the legislative body shall issue in the name of the township the bonds of the district. The bonds may not exceed in amount the total cost of all land to be acquired and all improvements described in the resolution, including all expenses necessarily incurred in connection with the proceedings, together with a sum sufficient to pay the costs of supervision and inspection during the period of construction of a work. The expenses to be covered in the bond issue include all expenses of every kind actually incurred preliminary to acquiring the land and the construction of the work, such as the cost of the necessary record, engineering expenses, publication of notices, preparation of bonds, and other necessary expenses. If more than one (1) resolution or proceeding of the legislative body under this chapter is confirmed whereby different parcels of land are to be acquired or more than one (1) contract for work is let by the executive at approximately the same time, the cost involved under all of the resolutions and proceedings may be included in one (1) issue of bonds.

(b) The bonds may be issued in any denomination not less than one thousand dollars (\$1,000) each, in not less than five (5) nor more than forty (40) annual series. The bonds are payable one (1) series each year, beginning at a date after the receipt of taxes from a levy made for that purpose. The bonds are negotiable. The bonds may bear interest at any rate, payable semiannually. After adopting a resolution ordering bonds, the legislative body shall certify a copy of the resolution to the township's fiscal officer. The fiscal officer shall prepare the bonds and the executive shall execute the bonds, attested by the fiscal officer.

(c) The bonds and the interest on the bonds are exempt from taxation as prescribed by IC 6-8-5-1. Bonds issued under this section are subject to the provisions of IC 5-1 and IC 6-1.1-20 relating to:

- (1) the filing of a petition requesting the issuance of bonds;
- (2) the right of taxpayers to:
 - (A) remonstrate against the issuance of bonds; **or**
 - (B) **vote on the proposed issuance in an election on a local public question;**
- (3) the appropriation of the proceeds of the bonds with the approval of the department of local government finance; and
- (4) the sale of bonds at public sale for not less than the par value of the bonds.

(d) The legislative body may not have bonds of the district issued under this section that are payable by special taxation when the total issue for that purpose, including the bonds already issued or to be issued, exceeds two percent (2%) of the total adjusted value of the taxable property in the district as determined under IC 36-1-15. All

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bonds or obligations issued in violation of this subsection are void. The bonds are not obligations or indebtedness of the township but constitute an indebtedness of the district as a special taxing district. The bonds and interest are payable only out of a special tax levied upon all the property of the district as prescribed by this chapter. A bond must recite the terms upon the face of the bond, together with the purposes for which the bond is issued.

SECTION 90. IC 36-10-8-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 16. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), also of the city, if the board determines that the estimated annual net income of the capital improvement, plus the estimated annual tax revenues to be derived from any tax revenues made available for this purpose, will not be sufficient to satisfy and pay the principal of and interest on all bonds issued under this chapter, including the bonds then proposed to be issued.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the county executive authorizing the issuance of general obligation bonds, or, if the authority was created under IC 18-7-18 (before its repeal on February 24, 1982), by the fiscal body of the city authorizing the issuance of general obligation bonds. The resolution must set forth an itemization of the funds and assets received by the board, together with the board's valuation and certification of the cost. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the proper officers, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, as the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the proper officers may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An action to contest the validity of

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bonds issued under this section may not be brought after the fifteenth day following the receipt of bids for the bonds.

(d) The provisions of all general statutes relating to:

(1) the filing of a petition requesting the issuance of bonds and giving notice;

(2) the right of taxpayers to:

(A) remonstrate against the issuance of bonds; or

(B) vote on the proposed issuance in an election on a local public question;

(3) the giving of notice of the determination to issue bonds;

(4) the giving of notice of a hearing on the appropriation of the proceeds of bonds;

(5) the right of taxpayers to appear and be heard on the proposed appropriation;

(6) the approval of the appropriation by the department of local government finance; and

(7) the sale of bonds at public sale;

apply to the issuance of bonds under this section.

SECTION 91. IC 36-10-9-15 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 15. (a) A capital improvement may be financed in whole or in part by the issuance of general obligation bonds of the county.

(b) If the board desires to finance a capital improvement in whole or in part as provided in this section, it shall have prepared a resolution to be adopted by the board of commissioners of the county authorizing the issuance of general obligation bonds. The resolution must state the date or dates on which the principal of the bonds is payable, the maximum interest rate to be paid, and the other terms upon which the bonds shall be issued. The board shall submit the proposed resolution to the board of commissioners of the county, together with a certificate to the effect that the issuance of bonds in accordance with the resolution will be in compliance with this section. The certificate must also state the estimated annual net income of the capital improvement to be financed by the bonds, the estimated annual tax revenues, and the maximum amount payable in any year as principal and interest on the bonds issued under this chapter, including the bonds proposed to be issued, at the maximum interest rate set forth in the resolution. The bonds issued may mature over a period not exceeding forty (40) years from the date of issue.

(c) Upon receipt of the resolution and certificate, the board of commissioners of the county may adopt them and take all action necessary to issue the bonds in accordance with the resolution. An

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1 action to contest the validity of bonds issued under this section may not
 2 be brought after the fifteenth day following the receipt of bids for the
 3 bonds.

4 (d) The provisions of all general statutes relating to:

5 (1) the filing of a petition requesting the issuance of bonds and
 6 giving notice;

7 (2) the right of taxpayers to:

8 (A) remonstrate against the issuance of bonds; or

9 (B) **vote on the proposed issuance in an election on a local
 10 public question;**

11 (3) the giving of notice of the determination to issue bonds;

12 (4) the giving of notice of a hearing on the appropriation of the
 13 proceeds of bonds;

14 (5) the right of taxpayers to appear and be heard on the proposed
 15 appropriation;

16 (6) the approval of the appropriation by the department of local
 17 government finance; and

18 (7) the sale of bonds at public sale for not less than par value;

19 are applicable to the issuance of bonds under this section.

20 SECTION 92. [EFFECTIVE UPON PASSAGE] **(a) The following,**
 21 **both as added by this act, apply only to property taxes first due and**
 22 **payable after December 31, 2006:**

23 (1) IC 6-1.1-17-8.5.

24 (2) IC 6-1.1-22-2.5.

25 **(b) The following, all as amended by this act, apply only to**
 26 **property taxes first due and payable after December 31, 2006:**

27 (1) IC 6-1.1-1-3.

28 (2) IC 6-1.1-1-20.

29 (3) IC 6-1.1-15-10.

30 (4) IC 6-1.1-17-0.5.

31 (5) IC 6-1.1-17-1.

32 (6) IC 6-1.1-17-3.

33 (7) IC 6-1.1-17-9.

34 (8) IC 6-1.1-17-16.

35 (9) IC 6-1.1-18.5-1.

36 (10) IC 6-1.1-22-4.

37 SECTION 93. **An emergency is declared for this act.**

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